



Daily Report

China

FBIS-CHI-90-167
Tuesday
28 August 1990

Daily Report

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FBIS-CHI-90-167

CONTENTS

28 August 1990

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

General

UN Members Complete Cambodia Solution Package [XINHUA]	1
Symposium Marks Opium War Anniversary [XINHUA]	1

Soviet Union

Foreign Minister To Meet USSR Counterpart [XINHUA]	1
Shevardnadze Visit to Seoul Denied [Tokyo KYODO]	1

Northeast Asia

More on Military Delegation Visit to DPRK	2
Kim Il-song Meeting Viewed [RENMIN RIBAO 27 Aug]	2
Military Delegation Honored [Beijing International]	2
Qin Jiwei Speaks [Beijing International]	2
DPRK Official Views Chinese Reform, Loan [Beijing International]	3
China, DPRK Sign Bank Business Document [Beijing International]	3
NPC Chairman Meets Japanese House Speaker [XINHUA]	3
Japan's Nakayama's Mideast Tour Analyzed [XINHUA]	4

Southeast Asia & Pacific

Fiji Prime Minister Returns From PRC Visit [XINHUA]	5
Group Departs Laos; Border Agreement Signed [XINHUA]	5
Commentary Criticizes Vietnam on UN Resolutions [XINHUA]	5
BEIJING REVIEW Article on Iraqi Invasion [No 35]	6

West Europe

Yang Shangkun Meets Cypriot President Vasiliou [XINHUA]	7
Joint Trade Ties Viewed [XINHUA]	8
Vasiliou Meets Chinese Leaders [XINHUA]	8
FRG Official Urges Renewed Aid to China [XINHUA]	8

NATIONAL AFFAIRS

Political & Social

NPC Standing Committee Meeting Focuses on World	9
Li Peng Reports on Foreign Affairs [XINHUA]	9
Discusses Gulf Crisis [XINHUA]	9
Opposes 'Big Powers' Involvement in Gulf [XINHUA]	9
Comments on Ties with ASEAN Nations [XINHUA]	10
Discusses Cambodia, Vietnam [XINHUA]	11
Views Foreign Policy [XINHUA]	12

"New Enlightenment Movement" Criticized [GUANGMING RIBAO 6 Aug]	12
University Student Enrollment Cut by 30,000 [HONGKONG STANDARD 28 Aug]	14
Laws To Promote Reform, Opening Up Being Drafted [XINHUA]	15
Public Supervision of Procuratorates Urged [XINHUA]	15
Personnel Department Propaganda Work Forum Held [Hohhot Radio]	15
21st All-China Students' Federation Plenum Held [XINHUA]	16
Circular on Managing Asiad Radio Communication [XINHUA]	16
Railways Minister Says Unhealthy Habits Checked [XINHUA]	16
Conference on Border Defense Highway Construction [Hohhot Radio]	17
Deng Liqun Speaks at Symposium on Zhang Wentian [XINHUA]	18
Tian Jiyun Inspects Delta Region in Liaoning [XINHUA]	19
Article Views Peng Zhen Book of Speeches [RENMIN RIBAO 20 Aug]	19
Planned Publication of Zhou Enlai's Writings [XINHUA]	22

Science & Technology

New Satellite Laser Range Finder Developed [ZHONGGUO XINWEN SHE]	23
More on Development [XINHUA]	23
Meteorological Satellite Launch Slated [XINHUA]	24

Military

Key Role of PLA's Armored Forces Cited [CHINA DAILY 28 Aug]	24
Armor Corps Marks 40th Founding Anniversary [XINHUA]	24
Military's Building of Border Areas Praised [ZHONGGUO QINGNIAN BAO 6 Aug]	25

Economic & Agricultural

Boost to Economic Growth To Be Initiated [HONGKONG STANDARD 27 Aug]	25
Settling 'Chain Debts' by Bank Loans Planned [XINHUA]	26
Reasons For 'Reformist Rhetoric' Viewed [Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 27 Aug]	27
Article on Planned Economy, Market Integration [GUANGMING RIBAO 4 Aug]	28
Article Discusses Deepening Reform [RENMIN RIBAO 17 Aug]	29
Little Fanfare for SEZ Anniversary Noted [Hong Kong SOUTH CHINA MORNING POST 27 Aug]	33
Irrigation Drive Boosts Agricultural Development [CHINA DAILY 28 Aug]	34

REGIONAL AFFAIRS

East Region

Anhui's Wuhu City To Hold Trade Fair [XINHUA]	35
Fujian Secretary Views Youth Work [Fuzhou Radio]	35
Han Peixin on People's Congress Tasks [XINHUA RIBAO 20 Aug]	35
Jiangxi Holds Meeting on Maintaining Social Order [Nanchang Radio]	37

Central-South Region

Zhuhai Plan Contradicts Austerity Policy [Hong Kong SOUTH CHINA MORNING POST 25 Aug]	37
Hunan Secretary Views Party School Work [Changsha Radio]	38

Southwest Region

Yang Rudai Speaks at Monument Inauguration [XINHUA]	38
Sichuan Prepares To Use More Foreign Capital [XINHUA]	39
Pu Chaozhu Views Collective Economy Development [Kunming Radio]	40

TAIWAN

Peking Accused of Human Smuggling Into Taiwan [CNA]	41
Ministry Plans Revision of National Security Law [Taipei Radio]	41
Soviet TV Group To Visit 'Later This Month' [CHINA POST 24 Aug]	41
19 Nations Participate in Economic Symposium [CNA]	42
Red Cross Asked To Probe Death of Mainlanders [CNA]	42
Li Teng-hui Meets St. Vincent Prime Minister [CNA]	43

General

UN Members Complete Cambodia Solution Package

OW2808041090 Beijing XINHUA in English
0019 GMT 28 Aug 90

[Text] United Nations, August 27 (XINHUA)—The five permanent members of the U.N. Security Council today completed their final work on a package of solutions to the 12-year-long Cambodia conflict, U.N. diplomats said.

The five powers—Britain, China, France, the Soviet Union and the United States—completed the drafting of the final three documents of a total of five, a package concerning a comprehensive settlement of the conflict, when they met this morning for a two-day meeting, the fifth since January this year.

According to U.N. sources familiar with the meeting, representatives from the five powers finalized the last three documents dealing with such issues as free elections under the U.N. auspices, international guarantees and human rights protection in the country.

The first two documents, one dealing with the transitional arrangements regarding the administration of Cambodia during the pre-electoral period and the other concerning military arrangements during the transitional period, were already agreed upon by the five powers at their last meeting in Paris.

The sources said the whole package, to be made public sometime later, represents "the first ever U.N. formula" for a comprehensive solution to the Cambodia conflict, which was created by the Vietnamese invasion of Cambodia in 1978.

"Now it's up to the parties concerned (to the conflict) to decide whether they want to solve this problem," one diplomat said, asking for anonymity.

U.N. diplomats said that with the completion of the package plan on Cambodia, the major concern of the five powers now is whether the four factions in Cambodia and Vietnam would endorse it and be willing to carry it out.

Sources close to the meeting said chief negotiators of the five powers continued their meeting this afternoon, trying to work out an agreed text to present their proposals.

They also said the package of proposals will be soon submitted to the U.N. Security Council for approval.

Symposium Marks Opium War Anniversary

OW2708120790 Beijing XINHUA in English
1131 GMT 27 Aug 90

[Text] Beijing, August 27 (XINHUA)—More than 160 Chinese and foreign scholars gathered here today to explore the impact of the Opium War on modern China.

Research by Chinese scholars on the Opium War, which occurred 150 years ago, has concentrated on foreign aggression. Only recently have Chinese scholars begun to probe the event from the angle of China's modernization.

The theme of the symposium is "The Opium War and Modern China." Topics for discussion include the Opium War and Lin Zexu who led the opium burning movement, the Opium War and the modernization of China, conflicts and exchanges between Chinese and Western cultures after the Opium War, the search by the Chinese people for national salvation after the Opium War, and the Opium War and international relations.

The participants will discuss the Opium War from the political, economic and military prospective.

Lin Qing, the fifth generation grandson of Lin Zexu, and several other Chinese scholars spoke at the opening of the symposium.

Soviet Union

Foreign Minister To Meet USSR Counterpart

HK2708030090 Beijing XINHUA in English
0250 GMT 27 Aug 90

["Chinese, Soviet Foreign Ministers To Hold Working Meeting"—XINHUA headline]

[Text] Beijing, August 27 (XINHUA)—China and the Soviet Union have decided through consultations that the foreign ministers of the two countries will hold a working meeting to exchange views on questions of common concern in Harbin, China, on September 1, according to the Chinese Foreign Ministry.

Shevardnadze Visit to Seoul Denied

OW2708101690 Tokyo KYODO in English
0947 GMT 27 Aug 90

[Text] Beijing, Aug. 27 KYODO—A Soviet embassy spokesman here denied press reports Monday that Soviet Foreign Minister Eduard Shevardnadze is planning to visit South Korea in early September before coming to Japan.

The spokesman said relations between the Soviet Union and South Korea have not developed enough to make such a trip likely.

Bu. Shevardnadze will stop in North Korea before going to China on September 1 or after he visits Japan September 5-7, the spokesman added.

Northeast Asia**More on Military Delegation Visit to DPRK****Kim Il-song Meeting Viewed**

*HK2708105390 Beijing RENMIN RIBAO in Chinese
27 Aug 90 p 6*

[Report by Zhou Bizhong (0719 1801 1813): "Korean President Kim Il-song Meets Chinese Defense Minister Qin Jiwei"]

[Text] Pyongyang, 26 Aug (RENMIN RIBAO)—Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea [WPK] and president of the Democratic People's Republic of Korea, met with and feted a Chinese goodwill military delegation out of town today. The Chinese delegation is headed by Colonel General Qin Jiwei, member of the Political Bureau of the CPC Central Committee, state councillor, and defense minister. The meeting proceeded in a cordial and friendly atmosphere.

Kim Il-song told Qin Jiwei: I am especially glad to meet with some veteran volunteers again at this moment, while we are ushering in the 40th anniversary of the Chinese People's Volunteers' participation in the Korean War. You and we are comrades-in-arms, who shed blood together.

Kim Il-song said: In response to Chairman Mao Zedong's appeal: "resisting U.S. aggression, aiding Korea, protecting homes, and defending the country," you sweated and bled 40 years ago, defeating the U.S. imperialists for the first time in the world. Thanks to your contributions we defended socialism. This is the highest internationalist spirit in this world. We are comrades and battle companions. Korean-Chinese friendship is not an ordinary friendship but one cemented with blood.

Kim Il-song said: Now that imperialists are pushing for "peaceful evolution" in socialist countries, it is of particularly great significance for our two countries to enhance unity between us. You are upholding socialism, and we are upholding socialism too. Socialism must continue to develop and win, and this is the law of history.

Comrade Qin Jiwei conveyed to Kim Il-song the regards of Deng Xiaoping, Jiang Zemin, Yang Shangkun, and Li Peng. And Kim Il-song on his part requested Qin Jiwei to send his regards to Deng Xiaoping, Jiang Zemin, Yang Shangkun, and Li Peng.

Present at the meeting and banquet were Vice Marshal O Chin-u, member of the Standing Committee of the Political Bureau of the WPK Central Committee and minister of the People's Armed Forces; Chinese ambassador to Korea Zheng Yi; and Chinese military attache Wang Dahui.

Military Delegation Honored

*SK2808072290 Beijing International Service
in Korean 1100 GMT 25 Aug 90*

[Text] Comrade O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers Party of Korea [WPK] and minister of the people's Armed Forces of Korea, in Pyongyang on the evening of 23 August, arranged a banquet in honor of the friendship military delegation of China led by Comrade Qin Jiwei, member of the Political Bureau of the CPC Central Committee, state councillor and minister of national defense.

Speaking at the banquet, Comrade O Chin-u said that the friendship military delegation of China is visiting Korea, at a very meaningful time when the Korean people and Korean People's Army [KPA] are observing the 40th anniversary of the participation at the Korean front by the Chinese People's Volunteers. He said that the participation on the Korean front by the Chinese People's Volunteers was the embodiment of the militant friendship and fraternity between the Chinese people and the Korean people, and was an outstanding model of proletarian internationalism.

Comrade O Chin-u said that the Korean people and the KPA boundlessly cherish the traditional Korean-Chinese friendship at all times; in the past, present, and future, and will make all efforts to pass on such friendship generation after generation.

Minister Qin Jiwei, in his speech, said that the Korean people are making persistent efforts to achieve the reunification of Korea, because they have suffered enough the agony of division for many decades. Saying that President Kim Il-song put forth the five-point policy for Korea's reunification last May, he said that China resolutely supports the Korea's cause of reunification, and has called for and calls for the Korean people's independent settlement of the reunification question without foreign forces' intervention after the United States pulls its forces out of South Korea.

Saying that traditional friendly relations have been established between the peoples and Armies of China and Korea, he added that the Chinese people and People's Liberation Army, as in the past, will continue to develop friendship between the Armies of the two countries, regardless of change in the international situation in the future.

Qin Jiwei Speaks

*SK2808074890 Beijing International Service
in Korean 1100 GMT 25 Aug 90*

[Text] The DPRK Ministry of People's Armed Forces held a meeting of soldiers in Pyongyang yesterday afternoon and warmly welcomed the PRC friendship military delegation led by Comrade Qin Jiwei, member of the Political Bureau of the CPC Central Committee and minister of national defense.

Some 6,000 men and officers of the Korean People's Army [KPA] participated in the meeting.

Comrade O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers Party of Korea [WPK] and minister of people's Armed Forces of Korea, spoke first at the meeting.

Comrade O Chin-u said that the PRC friendship military delegation's visit to Korea this time is a great encouragement to the Korean people and KPA soldiers who struggle for socialist construction and for the peaceful reunification of the fatherland.

Comrade O Chin-u said that the fraternal Chinese People's Liberation Army [CPLA], under the wise leadership of the CPC, is fully carrying out its mission as a dependable force to defend the country, coping with the imperialists' strategy against peace and their subversive activities. He said that it has achieved great success in the struggle, upholding the party's military line, to make the Army revolutionary, modern, and regularized.

Qin Jiwei, head of the delegation, in his speech at the meeting, said that the peoples and Armies of China and Korea are comrades-in-arms and brethren that have shared joys and sorrows, and that the peoples and Armies of our two countries have supported and helped one another and have formed fraternal friendship in blood through the long revolutionary struggle and the cause of the socialist construction.

Qin Jiwei, head of the delegation, said that the friendship between the peoples and Armies of China and Korea is what the age-old proletarian revolutionaries personally established and have developed, and is an indestructible one that has overcome the trials of the long revolutionary struggle.

Qin Jiwei, head of the delegation, said that the traditional friendship between the two peoples and Armies has been further strengthened and developed over the past years.

He said that the peoples of China and Korea, who firmly adhere to the path of socialism under the new circumstances in which the global situation is changing drastically and complicatedly, should further cherish the great revolutionary China-Korea friendship and should continue to make efforts to strengthen and develop it.

In conclusion, Qin Jiwei, head of the delegation, said he is firmly convinced that the traditional friendship between China and Korea will be passed on generation after generation and will shine forever.

After speeches, Qin Jiwei, head of the delegation, and Comrade O Chin-u embraced one another and presented congratulatory banners to one another.

The meeting ended amid a grand international song.

Comrade Zheng Yi, Chinese ambassador to Korea, and functionaries of the embassy were also present at the meeting.

DPRK Official Views Chinese Reform, Loan

*SK2808081290 Beijing International Service
in Korean 1100 GMT 25 Aug 90*

[Text] Comrade Kim Tal-hyon, vice premier of the State Administration Council of Korea, meeting with the delegation from the Bank of China in Pyongyang yesterday, said that reform and opening in China are not easy because they are the tasks to blaze a new path. He said that China, continuing reform and opening, has won brilliant success in socialist construction and in foreign relations over the past decade.

Saying that China has achieved great progress in the area of foreign relations by being actively involved in international affairs, he said that this is an (?excellent) contribution to peace in Asia and the world.

He said that the 11th Asian Games in China will boost China's prestige in the international community.

Saying that China is directing keen interest to the role of the bank, he said that China's timely payment of foreign debts is something rare in the world. He added that this helps promote China's prestige in the world.

China, DPRK Sign Bank Business Document

*SK2808081890 Beijing International Service
in Korean 1100 GMT 25 Aug 90*

[Text] The delegation of the Bank of China led by its vice president Comrade Lei Zuhua is now on a visit to Korea from 16 August.

The Bank of China and the Foreign Trade Bank of Korea signed three business documents in Pyongyang yesterday.

NPC Chairman Meets Japanese House Speaker

*OW2708153690 Beijing XINHUA in English
1332 GMT 27 Aug 90*

[Text] Beijing, August 27 (XINHUA)—Wan Li, chairman of China's National People's Congress (NPC) Standing Committee, met Yoshio Sakurachi, speaker of Japan's House of Representatives, here tonight.

Sakurachi, also head of the Japanese sports-enthusiast Diet members league, is leading a delegation from the league.

Wan Li, also honorary chairman of the Organizing Committee for the 11th Asian Games, on behalf of the NPC Standing Committee and the organizing committee, extended a warm welcome to the Japanese visitors.

Wan described Sakurauchi as an "old friend of the Chinese people" and having made "significant contributions" to the development of Sino-Japanese friendship.

Wan said the current visit by the Japanese delegation will certainly help expand friendly Sino-Japanese exchanges and cooperation in sports.

Wan invited the visitors to offer their suggestions and opinions on making the 11th Asian Games a success.

He also stressed the importance of Sino-Japanese friendship.

Wan conveyed to Sakurauchi regards from General Secretary of the Chinese Communist Party Central Committee Jiang Zemin, who is now on an inspection tour outside of Beijing.

Sakurauchi said he will continue to work hard to expand Sino-Japanese political and economic relations.

Sakurauchi stressed the significance of the 11th Asian Games for expanding friendship among Asian countries. He expressed the hope that Japan and China will attach more importance to developing their friendship under the current changing international situation.

Following the meeting, Wan Li hosted a banquet for the Japanese visitors.

Sakurauchi and his party arrived here today to visit China and inspect the main facilities for the 11th Asian Games.

NPC Standing Committee Vice-Chairman Xi Zhongxun and Wu Shaozu, executive chairman of the 11th Asian Games Organizing Committee, were present at the airport to greet the Japanese visitors.

Chinese State Councillor Zou Jiahua met Sakurauchi and his party here this afternoon.

Japan's Nakayama's Mideast Tour Analyzed

OW2808121590 Beijing XINHUA Domestic Service
in Chinese 0535 GMT 25 Aug 90

["News Analysis: 'After Foreign Minister Nakayama's Middle East Tour'"—XINHUA headline]

[Text] Tokyo, 25 Aug (XINHUA)—Foreign Minister Nakayama returned to Tokyo today after completing a tour of the Middle East.

Prime Minister Kaifu originally was to visit the five Mideast countries himself. However, there was a sudden change in the Mideast situation; namely, Iraq's invasion and annexation of Kuwait, which evoked great worldwide repercussions. Caught "unprepared," Japan was, for a while, unable to come up with any "concrete action" and "appropriate measures" to help ease the crisis. Kaifu, therefore, sent Nakayama to the Mideast as

his envoy on the grounds that he "had to stay in the country to monitor the Mideast situation and to study countermeasures."

During his tour, Foreign Minister Nakayama presented the leader of each of the five nations a personal letter from Kaifu, explained why Kaifu had to postpone his visit to October, expounded Japan's stand on the Gulf and Mideast situation, and sounded out their intentions and requests of Japan.

The five nations responded differently. Most asked for aid from Japan. Saudi Arabia asked that Japan, acting within its Constitution, "do its best" to cooperate and provide financial aid to help solve the current Mideast crisis. Jordan gave a "cold shoulder" to Japan's request that Jordan participate in the economic sanctions against Iraq. Jordan indicated that it did not approve of Iraq's invasion of Kuwait and that it "respected" the UN's sanctions against Iraq. But it noted its opposition to the deployment of U.S. troops in the Gulf area. Jordan emphasized that the dispute between Iraq and Kuwait should be solved by Arab nations themselves. Meanwhile, Egypt, Turkey, and Oman asked Japan to provide economic aid, citing that the economic sanctions against Iraq had caused them heavy losses.

Meanwhile, Prime Minister Kaifu convened several meetings, in which Foreign Minister Nakayama's tour was discussed and Japan's "concrete measures for restoring peace and stability in the Middle East" were studied and formulated.

People here hold that Japan has mixed feelings as the Gulf conflict escalates. On the one hand, Japan needs to [words indistinct] as soon as possible so that it may have more of a say in the Middle East, a region of strategic importance, and exert its political influence. [Words indistinct] has made it more difficult to bring the 455 Japanese citizens stranded in Kuwait home safely. Prime Minister Kaifu said on 24 August that Japan's "top priority at the moment" is to ensure the safety of these people.

Japan imports [words indistinct] percent of its oil, of which 70 percent comes from the Middle East, which makes Japan the biggest purchaser of Middle East oil. Therefore, Japan wants to take "extraordinary" measures to help ease the Mideast crisis, such as dispatching its Self-Defense Forces, in a bid to soften the U.S. accusation that Japan "only enjoys peace and never takes any risks." At the same time, however, Japan cannot ignore the limitations imposed by its Constitution and other laws on its action in areas of military conflict. Any inappropriate action by Japan may arouse political disputes and suspicion among its neighboring Asian countries.

From Japan's point of view it seems far from adequate that it is merely "contributing money and material" in this Mideast crisis at the strong request of the United States and other Western countries. It seems that Japan wants to "provide personnel" and reverse its "weak"

image with regard to international military conflicts. It has been learned that the Japanese Government has drawn up a "procedure for dispatching personnel in three phases," and that it is planning to revise its International Emergency Assistance Law and Self-Defense Forces Law. Meanwhile, Japan has a 142-day stockpile of oil. In addition, its imports of oil from Iraq and Kuwait account for only 12 percent of its total oil imports. Therefore, Japan's economy will not be affected seriously by the crisis in the near future. Japan is looking for a long-term measure to ensure its oil supply.

Observers here believe that it will not be difficult for Japan to "contribute money and material." However, it will be much more difficult to "dispatch personnel" to areas of military confrontation as it will "set a precedent for Japan's foreign policy." People are watching what policy and attitude Japan will adopt after Foreign Minister Nakayama has completed his Middle East tour.

Southeast Asia & Pacific

Fiji Prime Minister Returns From PRC Visit

OW2708155190 Beijing XINHUA in English
1417 GMT 27 Aug 90

[Text] Suva, August 27 (XINHUA)—Fijian Prime Minister Kamisese Mara, who has just returned from a visit to China, said the Chinese people are rich in experience in various fields, especially in agricultural production, and they are "worth of being learned."

The prime minister made the remarks Sunday night while he was in the Chinese Embassy as a guest of Chinese Ambassador Xu Mingyuan.

Mara expressed his sincere thanks to the Chinese Government and people for their warm and grand welcome extended to him during his visit in China.

The prime minister said he is satisfied with the existing friendly relations between Fiji and China, and hoped that the bilateral economic and trade relations will be further strengthened.

Group Departs Laos; Border Agreement Signed

OW2708141490 Beijing XINHUA in English
1152 GMT 27 Aug 90

[Text] Hanoi, August 27 (XINHUA)—A Chinese Government delegation led by First Deputy Foreign Minister Qi Huaiyuan left Vientiane yesterday after an eight-day goodwill visit to Laos.

During its visit, the delegation paid courtesy visits to Acting President Phoumi Vongvichit and the Vice Chairman of the Council of Ministers, Minister for Foreign Affairs, Phoun Sipaseut.

They also met a governmental delegation led by Deputy Foreign Minister Soulivong Phrasitidet and signed a

provisional agreement on the line of the common border between their two countries.

Commentary Criticizes Vietnam on UN Resolutions

OW2808003790 Beijing XINHUA Domestic Service
in Chinese 1112 GMT 27 Aug 90

[Commentary by XINHUA reporter Ling Dequan: "Go Against People's Aspirations and World Trends"—XINHUA headline]

[Text] Hanoi, 27 Aug (XINHUA)—Hanoi newspapers today published Vietnamese Foreign Minister Nguyen Co Thach's 25 August interview with VNA on the Cambodian issue. The several-thousand-word speech by Nguyen Co Thach focuses on opposing the two important documents, one on military questions and the other on the government during the transitional period in Cambodia, adopted by the five permanent member countries of the U.N. Security Council [UNSC] during their fifth consultations in July this year. Nguyen Co Thach made the speech in an attempt to influence the sixth consultations of the five UNSC permanent member countries and obstruct the progress of a political settlement of the Cambodian issue.

The Vietnamese foreign minister's speech consists of four major points:

1. It opposes the abolition of the existing government and military organizations in Cambodia. Nguyen Co Thach said that the abolition of existing administrations and armies in Cambodia is in essence the abolition of the Phnom Penh administration and Army. He said that "it is unacceptable to regroup and disarm the armed forces."

To put an end at an early date to the protracted war in Cambodia caused by the Vietnamese invasion, and to restore Cambodia's peace, independence, and neutral and nonaligned status, it is necessary to solve two crucial problems: arrangements for an interim administration prior to a general election and arrangements for military forces during the transitional period. [passage indistinct] The two documents adopted by the five UNSC permanent member countries have provided a rational and just framework for an overall settlement of the Cambodian issue, and have won support from many countries. Nguyen Co Thach openly opposes the abolition of existing administrations and military organizations. He particularly opposes regrouping and disarming the armies of various factions in Cambodia. This is tantamount to negating the political settlement and prolonging the war for the purpose of keeping the "fruit" of the invasion of Cambodia.

2. It obstructs the establishment of a Supreme National Council with real power in Cambodia. According to Nguyen Co Thach, the Supreme National Council will be nothing but "a symbol of national sovereignty and unity," and "all administrations in Cambodia should continue to exercise their authority."

To establish a Supreme National Council with Prince Sihanouk as its chairman and with the participation by all factions is an important step for an overall political settlement of the Cambodian issue. The documents adopted by the five UNSC permanent member countries propose that the Supreme National Council should be not only "a symbol of Cambodian independence, sovereignty, and unity" but also "the only legitimate organ and source of power during the transitional period in Cambodia." Nguyen Co Thach's view apparently is different from that of the international community.

3. It restricts the United Nations from playing an important role in settling the Cambodian issue. Nguyen Co Thach threatens that UN participation in the political settlement of the Cambodian issue must be on the "condition" that it drop its recognition of Democratic Kampuchea's UN seat, and that it play only the role of "supervising the implementation of agreements and organizing a general election."

For a long time, Vietnam has resisted all resolutions adopted by the UN General Assembly on the Cambodian issue. Since last year, Vietnam has pretended to "welcome" the UN role in settling the Cambodian issue, but it has created obstacles whenever the real issue is discussed. Facts show that Hanoi continues to play the trick of "approving the abstract and negating the substance" in dealing with the UN role.

4. It continues to fabricate the myth of the so-called "revival of the genocidal system in Cambodia." On the one hand, Nguyen Co Thach alleges that the Phnom Penh regime is "still controlling almost 100 percent of the country." On the other hand, he deliberately exaggerates the idea that the Khmer Rouge will "easily restore the genocidal system in Cambodia." This is a self-contradictory lie and myth.

The war in Cambodia has created a great calamity to the Cambodian people. It also has dragged Vietnam into a crisis whereby it is beset by difficulties both at home and abroad. The earnest aspirations of the broad masses of the Vietnamese people are for Vietnam removing the Cambodia burden from its shoulders, maintaining a friendship with other countries, and concentrating on economic construction. Nguyen Co Thach's 25 August speech on the Cambodian issue goes against the people's aspirations and world trends. The international community hopes that Vietnam will take part sincerely in the peace process of Cambodia.

Near East & South Asia

BEIJING REVIEW Article on Iraqi Invasion

OW2708180890 Beijing *BEIJING REVIEW* in English
No 35, 27 Aug-2 Sep 90, pp 8-9

[Article by She Duanzhi: "Iraqi Invasion Provokes Worldwide Condemnation"]

[Text] As many people in the world began to savour "post-cold war" euphoria with tensions between the superpowers giving way to detente and cooperation, regional conflict in the Middle East intensified, dashing hopes for universal peace and a harmonious "global village."

At 2 am, August 2, Iraq launched an expected blitz attack against its tiny neighbour Kuwait and subsequently annexed it, turning the Persian Gulf into a hot spot once again.

Backed by 350 tanks and a formidable air force, Iraqi forces, numbering about 100,000, crushed Kuwaiti troops about 20,000—and captured the Kuwaiti capital, Kuwait City, in just four hours. During a battle around the Kuwaiti royal palace, the Amir's younger brother Fahd and his two sons were killed. Fahd was president of the Asian Olympic Council.

Tensions between the two Arab nations have been building since mid-July, when Baghdad suddenly began to accuse Kuwait and the United Arab Emirates of violations of oil production quotas designated by the Organization of Petroleum Exporting Countries (OPEC).

On July 17, at a mass rally commemorating Revolutionary Day, Iraqi President Saddam Husayn severely criticized the Gulf nations for their "irresponsible oil policy," which he claimed had caused a U.S. \$14 billion loss to Iraq in the first half of this year alone.

Then, Iraqi Deputy Prime Minister and Foreign Minister Tariq 'Aziz published a memorandum that Iraq sent to the Arab League on July 15, in which Baghdad censured by name Kuwait and the United Arab Emirates for overproducing oil and depressing oil prices.

'Aziz also accused Kuwait of extracting oil at the disputed Rumaila oilfield since 1980, when Baghdad was at war with Iran. Iraq demanded U.S. \$2.4 billion in compensation from Kuwait.

To increase the pressure, Baghdad, in an unusual show of force, massed 30,000 troops—the elite Republican Guard—along the Iraq-Kuwait border in late July just before an OPEC session began in Geneva to settle the oil quarrel.

To defuse the mounting tensions between the two Arab nations, Egyptian President Husni Mubarak, after holding emergency consultations with leaders of Saudi Arabia, Jordan and Syria, shuttled between Baghdad, Kuwait and Riyadh. This resulted in Saddam promising through Mubarak that he would not attack his neighbour. As well, both sides stopped bickering and agreed to meet in Jeddah, Saudi Arabia. To show its "sincerity," Baghdad even withdrew its troops from the border on July 26, prompting an optimistic Mubarak to call the spat "a cloud that will pass with the wind."

No one expected that a new Middle East war would break out soon—this time not between the Israelis and the Arabs, the long-time rivals, but between the Arabs themselves.

The invasion provoked immediate and strong international reaction. For the first time, the two superpowers were united in jointly condemning the aggressor and demanding an unconditional withdrawal. U.S. Secretary of State James Baker cut short a visit to Mongolia, also a first-time event, to hold talks with his Soviet counterpart Eduard Shevardnadze. For years Moscow and Washington, locked in their long-standing cold war confrontation had never quite agreed on any world issues. This time they issued an unprecedented joint statement. The Soviet Union stopped military supplies to Iraq, while the United States froze all the bank assets of Iraq and Kuwait in the United States and called on other nations to halt weapons sales to Baghdad.

The United Nations Security Council unanimously passed two resolutions condemning Iraq's invasion and calling for worldwide economic sanctions and an arms embargo against Iraq.

The Arab world was at first stunned, then confused by Iraq's seizure of Kuwait. Most nations agreed that the invasion would not serve to resolve the differences between the two countries but would intensify the tensions and damage the over-all interests of the Arab world. An emergency summit meeting of the Arab League on August 10 adopted a resolution that condemned Iraq's invasion of Kuwait and urged Baghdad to pull its forces out of Kuwait unconditionally. Some countries, such as Libya, Jordan and Yemen, seemed sympathetic or supportive of Iraq.

The United States sent a formidable air, sea and ground force to Saudi Arabia on request and to the Gulf to protect vital U.S. interests there, notably the oil supplies. Some other Western nations have followed suit. This has caused worries that the conflict will further escalate rather than subside.

While voting for the UN Security Council resolutions in condemning the Iraqi invasion, China has consistently suggested that the conflict be resolved peacefully through friendly consultations within the Arab world. In principle, China opposes the involvement of foreign powers in regional conflicts, but China respects and understands the steps taken by Saudi Arabia out of its security concerns to invite foreign forces to the kingdom.

West Europe

Yang Shangkun Meets Cypriot President Vasiliou

OW2708212590 Beijing XINHUA Domestic Service
in Chinese 1240 GMT 27 Aug 90

[By reporter Zhou Cipu]

[Text] Beijing, 27 Aug (XINHUA)—President Yang Shangkun met with visiting Cypriot President Yeoryios Vasiliou in the Grea: Hall of the People this evening. Yang Shangkun said during the meeting that China is willing to make due contributions to a just and reasonable settlement of the Cyprus problem.

He said: China will give active support to the UN secretary-general in his efforts to solve the Cyprus problem as a permanent member of the UN Security Council.

Yang Shangkun pointed out: Chinese people deeply sympathize with the Cypriot people, and hope that a just and reasonable settlement of the Cyprus problem will be achieved soon. "An early settlement will benefit the two nationalities in Cyprus and be conducive to peace and stability in the region."

Vasiliou said his country hopes China, as a permanent member of the UN Security Council, will play a greater role in the settlement of the Cyprus problem.

China is one of the first countries Vasiliou has visited since he became president. On why he was doing so, he told President Yang Shangkun: "China is a country with a long civilization and it has made remarkable progress in modernization. At the same time, we feel that a profound friendship exists between the two countries, and China has always given friendly support to Cyprus."

During their talks, President Yang spoke highly of the contributions of several Cypriot presidents to the development of Sino-Cypriot relations after Cyprus became independent. He believes that President Vasiliou's current state visit to China will surely elevate Sino-Cypriot relations to a new level.

Talking about China's current situation, Yang Shangkun said that over the past year China has overcome various difficulties and made progress in stability and development. He said: "Now China is going all out in its preparations for the 11th Asian Games."

President and Mrs. Vasiliou, as President Yang Shangkun's guests, arrived in Beijing by plane this morning. Vasiliou's entourage includes Foreign Minister Yeoryios Iakovou, Minister of Commerce and Industry Takis Nemitsas, and Director of the Central Bank Afxendis Afxendiou. Before the meeting, President Yang Shangkun held a grand ceremony in the East Hall of the Great Hall of the People to welcome President Vasiliou and his wife. President Vasiliou was accompanied by President Yang Shangkun and reviewed honor guards from China's three military services.

Fei Xiaotong, vice chairman of the the National People's Congress Standing Committee, attended the welcome ceremony.

In the evening, President Yang Shangkun hosted a banquet for his Cypriot guests in the Great Hall of the People.

Joint Trade Ties Viewed

OW2808062890 Beijing XINHUA in English
0559 GMT 28 Aug 90

[Text] Beijing, August 28 (XINHUA)—Visiting Cyprus President Yeoryios Vasiliou said here this morning that the margins for increase in trade between Cyprus and China are "extremely wide."

He made the remark at a gathering organized by the China Council for the Promotion of International Trade and attended by about 200 people from the Chinese economic and trade community.

Vasiliou said that from 1985 to 1989 Cyprus' exports to China increased from 20,000 to 1.3 million U.S. dollars and its imports rose from China from 3 million to 14 million U.S. dollars. These figures are "not considerable" in comparison with the total import and export amounts of his country.

He believed that there is "ample ground" for expanded transactions especially in the areas of animal husbandry, high technology electronics and industry in general sectors in which China's economy is advanced.

"Amongst the various measures which could be taken to increase trade between our countries, are the exchange of trade delegations aiming at a better understanding of the export-import possibilities, as well as the organization of specialized exhibitions, the utilization of relevant publications, and enhanced participation at fairs organized in each country," he suggested.

The Cyprus president held that there are grounds and potential for cooperation between the two countries in the fields of tourism, science, education and culture.

Vasiliou noted that the cooperation between Cyprus and China will prove beneficial to the peoples of the two countries.

Vasiliou Meets Chinese Leaders

OW2808083290 Beijing XINHUA in English
0658 GMT 28 Aug 90

[Text] Beijing, August 28 (XINHUA)—Visiting Cypriot President Yeoryios Vasiliou met with Chinese Minister

of Foreign Economic Relations and Trade Zheng Tuobin and Minister of Communications Qian Yongchang on separate occasions here today.

Vasiliou and Zheng had a conversation on current economic and trade relations between China and Cyprus, agreeing that there are great potentials for the development of such relations. They expressed the determination to work hard for further expansion of bilateral trade.

In another meeting Vasiliou and Qian Yongchang exchanged views on co-operation in the communications area between the two countries.

Madame Vasiliou met with Huang Qizao, vice-president of the All-China Women's Federation here today. They briefed each other on the functions and the work of the women's organizations in their respective countries.

FRG Official Urges Renewed Aid to China

OW2808050990 Beijing XINHUA in English
0118 GMT 28 Aug 90

[Text] Bonn, August 27 (XINHUA)—Federal Germany should renew its economic aid and loans to China and provide necessary state guarantees for its enterprises in trade with China, a Federal German high official urged here today.

Upon his return from China, Siegfried Leng, secretary of state of the Economic Cooperation Ministry, told reporters that his meetings with Chinese leaders including Prime Minister Li Peng have convinced him that the Chinese Government "has a high sense of responsibility" and that China is willing to continue its reform and openness policy.

He called upon the Bundestag to change its attitude towards China.

Some Federal German industrialists suffered severe damages in trading with China in the past year because of well-known reasons, but economists and industrialists are attempting to renew business ties with their Chinese partners, he said.

Political & Social

NPC Standing Committee Meeting Focuses on World

Li Peng Reports on Foreign Affairs

OW2808101190 Beijing XINHUA Domestic Service
in Chinese 0800 GMT 28 Aug 90

[By reporters Sun Benyao and Zhang Sutang]

[Text] Beijing, 28 Aug (XINHUA)—The 15th Session of the Seventh National People's Congress [NPC] Standing Committee opened this morning at the Great Hall of the People.

At the session, Premier Li Peng delivered a report on the current international situation and his visits to the three nations of Indonesia, Singapore, and Thailand. He pointed out: Recently, despite the changes in the international situation, our country has still unswervingly carried out its independent foreign policy of peace, held high the banner of the five principles for peaceful coexistence, opposed hegemonism [ba quan zhu yi 7218 2938 0031 5030] and power politics. Since our external principle and policy are in conformity with the reality, and more radically because of our stable domestic situation, our country has been able to overcome difficulties of one kind or another and make new progress in the work of foreign affairs.

Chairman Wan Li presided over today's meeting.

After the session's opening, Vice Chairman Peng Chong, who is also the secretary general, explained the draft agenda for the session proposed by a chairmanship meeting. The members passed this agenda.

Touching on the international situation in his report, Li Peng said: Recently the international situation has undergone rapid changes. The Gulf crisis and its developments have become major events. The seven Western countries' summit held in early July and the 28th Congress of the Communist Party of the Soviet Union both showed some new trends worthy of attention. As for the Cambodian issue, which has been formed through a long period of time, there have appeared prospects of a political solution.

Li Peng said: This year our country's diplomatic activities have been relatively active, made some significant breakthroughs, and drawn extensive attention from the international community. At the invitation of President Suharto, Prime Minister Lee Kuan Yew, and Prime Minister Chatchai, I made official goodwill and working visits to Indonesia, Singapore, and Thailand from 6 to 14 August. During these visits, I intensively exchanged views with the three countries' leaders on the development of bilateral relations and the Cambodian issue. We shared basically identical views on a number of questions. The visits were a complete success.

In conclusion, Li Peng said: The immense changes in the international situation at present have posed many new questions before China and created new challenges to be faced by our country. There are both the grim and difficult side as well as the favorable side. China will unswervingly carry out its independent foreign policy of peace and develop friendly relations with as many countries in the world as possible.

Present at the session were Vice Chairmen Xi Zhongxun, Ngapoi Ngawang Jigme, Seypidin Aizezi, Zhou Gucheng, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Ni Zhifu, Chen Muhua, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, and Wang Hanbin.

Ren Jianxin, president of the Supreme People's Court; and Liu Fuzhi, procurator general of the Supreme People's Procuratorate, attended the session as observers.

Discusses Gulf Crisis

OW2808095990 Beijing XINHUA in English
0939 GMT 28 Aug 90

[Text] Beijing, August 28 (XINHUA)—Chinese Premier Li Peng said here today that the Gulf crisis has shown that the global pattern of relations between states has become imbalanced following the relaxation of relations between the United States and the Soviet Union.

He added that the crisis has also put a strain on the ties between the two powers.

In his report to the 15th meeting of the Standing Committee of the Seventh National People's Congress, the premier said that the relaxation of confrontation between the two countries has not guaranteed peace and stability in the world. In fact, the world has become a more turbulent place, he noted. The invasion of Kuwait by Iraq, the confrontation between forces deployed in the Gulf by the United States and some Western European countries and the Iraqi Army has led to a serious crisis in the Gulf and the attention of the whole world is focussed on it. The crisis has also enlarged differences among Arab countries, he said.

The situation has become very serious in the Gulf region since the deployment of military forces by the United States and some Western European countries to confront the Iraqi Army.

Li said that the mixture of various contradictions in the Gulf crisis has made the situation there very complicated. He warned that there is the possibility of a military conflict or a long-term stalemate in the Gulf crisis.

Opposes 'Big Powers' Involvement in Gulf

OW2808082890 Beijing XINHUA in English
0815 GMT 28 Aug 90

[Text] Beijing, August 28 (XINHUA)—Premier Li Peng said here today that China is firmly opposed to Iraq's

invasion and annexation of Kuwait, and is also opposed to the military involvement of big powers.

Li said that China maintains that the disputes between Iraq and Kuwait should be solved by peaceful means within the Arab countries, and the United Nations mechanism and its mediation role should be fully used.

Presenting a report to the ongoing 15th session of the Standing Committee of the Seventh National People's Congress, Li said that the Chinese Government voted for U.N. Security Council resolutions No. 660, 661, 662 and 664 and will make efforts for their implementation. He added that this shows that China has upheld its stand that it is opposed to Iraq's invasion and annexation of Kuwait.

He said that China is opposed to military involvement by big powers because such involvement will make the situation more complicated and intense.

The premier said that the Security Council passed Resolution 665 on August 25 and China voted for it because China's motion to cancel the wording, "resort to armed force at the minimum level" in the draft had been accepted.

Comments on Ties with ASEAN Nations

OW2808101490 Beijing XINHUA Domestic Service
in Chinese 0751 GMT 28 Aug 90

[Text] [No dateline as received] Li Peng gave a report on the international situation and on his visits to Indonesia, Singapore, and Thailand at today's 15th Session of the Seventh National People's Congress [NPC] Standing Committee.

On the international situation, Li Peng said: The international situation has recently been changing very rapidly. The occurrence of the Gulf crisis and its developments have become major events involving the entire world. Noteworthy new trends could be seen at the summit of heads of government of seven Western countries and at the 28th CPSU Congress held in early July. There also is the prospect for a political settlement of the long-standing Cambodian issue.

Li Peng pointed out: Iraq's invasion of Kuwait and the confrontation between Iraq and troops deployed by the United States and some European countries in the Gulf have created a serious crisis there which has become the focus of world attention. The crisis shows that the global pattern has lost its balance following the relaxation in U.S.-Soviet relations, that it has had a serious impact on U.S.-Soviet detente, and has exacerbated differences within the Arab world. The relaxation in U.S.-Soviet confrontation does not mean that there is peace and tranquility in the world; on the contrary, the world has become even more turbulent.

He said: The Chinese Government voted for UN Security Council Resolutions 660, 661, 662, and 664. We will work hard for their implementation and demonstrate

our principled stand of firmly opposing Iraq's invasion and annexation of Kuwait. Meanwhile, we also have clearly stated our opposition to the military involvement of big countries because such involvement will make the issue even more complex and acute. We stand for a political and peaceful settlement of the Iraqi-Kuwaiti disputes within the framework of Arab nations, and the United Nations should fully utilize its available mechanisms and bring its mediating role into play. The UN Security Council again adopted Resolution 665 on 25 August. When it was put to a vote, China voted for it because our insistence on deleting from the draft the wording "resort to armed force at a minimum level" had been accepted by all parties.

Li Peng said: The situation in the Gulf is very severe because of the confrontation between Iraqi troops and the large number of troops deployed by the United States and European countries in the Gulf area. There are all kinds of contradictions surrounding the Gulf crisis and the situation is highly complex. It is possible that a military conflict will break out, and it also is possible that there will be a long-standing stalemate.

Commenting on China's diplomatic affairs, Li Peng pointed out: Despite the current changeable international climate, China continues to firmly implement its independent and peaceful diplomatic policy, hold high the banner of the five principles of peaceful coexistence, and oppose hegemonism and power politics. Because of our practical foreign principles and policies, and, more fundamentally, because of our domestic stability, we have surmounted all kinds of problems and achieved new headway in carrying out foreign affairs.

Li Peng said: At present, people in the United States demand the extension of most favored nation [MFN] status for China and the voices for safeguarding Sino-U.S. relations are increasing everyday. We hope President Bush will uphold the decision to extend MFN status for China and reject any congressional bill attaching conditions to it. China has time and again solemnly pointed out that sanctions will harm not only China, but also those who imposed the sanctions. While the world situation is undergoing significant changes today, the economic gap between the South and the North continues to widen, and contradictions between them continue to deepen. Many developing countries are deeply worried about this. China is one of the developing countries, and because we have suffered the same misfortunes in history, there is a consensus among us on many current world issues. The fundamental point of our foreign policy is to strengthen cooperation with developing countries. Under this circumstance, we have strengthened governmental and nongovernmental contacts with developing countries. We have, in particular, improved and developed our relations with peripheral states and further strengthened solidarity, cooperation, and friendship with the vast number of Third World countries.

Li Peng said: China's relatively active diplomatic activities this year have achieved some major breakthroughs and received universal attention from the world community. At the invitation of President Suharto, Prime Minister Lee Kuan Yew, and Prime Minister Chatchai, I paid official friendly visits to Indonesia and Singapore and a working visit to Thailand from 6 through 14 August. During the visits, I had in-depth exchanges of views with the leaders of the three countries on developing bilateral relations and on the Cambodian issue, and we have basically arrived at a consensus on many issues. The visits were a success.

Regarding his visits to the three countries, Li Peng said: During the visit to Indonesia, I emphatically reiterated in both the talks and public speeches that China abides by the five principles of peaceful coexistence and the 10 principles of the Bandung Conference, and explicitly explained China's policies toward overseas and ethnic Chinese in Indonesia as well as the fact that China maintains no relations whatsoever with the Indonesian Communists. This has won the understanding and appreciation of people in all circles in Indonesia. During my visit, the two countries signed a memorandum on the restoration of diplomatic relations, thus completing the negotiations on the resumption of diplomatic ties, which began a year and a half ago in February 1989. During my visit to Singapore, I discussed with Premier Lee Kuan Yew the question of establishing diplomatic relations between the two countries. The two sides agreed to achieve this goal as soon as possible. Li Peng said: My visit to the three ASEAN countries coincided with a critical juncture in efforts to reach a political settlement of the Cambodian issue. The push for an early settlement of the Cambodian issue was a major point in my discussion with leaders of the three countries. After exchanging views in depth, we have arrived at a common understanding and consensus on several basic points in the political settlement of the issue. The basic points are: support for the consultations between and the documents issued by the five permanent members of the UN Security Council; support for the recent suggestion by Indonesia that a meeting of the four Cambodian parties be held soon in Jakarta, presided over by the co-chairmen of the Paris meeting, to urge their acceptance of the documents; and support for the establishment, as soon as possible, of a National Supreme Council composed of various Cambodian parties with Prince Sihanouk as its chairman. China and the three ASEAN countries all agreed on the importance of continuing the consultation and coordination among themselves on promoting a political settlement of the Cambodian issue. Li Peng stressed: It can be said now that it is up to Vietnam and the Hun Sen regime in Phnom Penh whether the Cambodian issue can be solved quickly or not. Vietnam is China's neighbor, and China is willing to discuss the normalization of relations with Vietnam after a just and reasonable political settlement of the Cambodian issue.

Li Peng concluded: The tremendous changes in the current international situation has put many new tasks

before China. As a result, China is facing new challenges that, on one hand, are grim and difficult, and, on the other, beneficial to it. China will unswervingly carry out its independent, peaceful foreign policy to develop friendly relations with as many countries as possible. The very basic goal of our diplomatic work is to create a long-term peaceful international environment for our socialist modernization. The key to success in diplomatic work, however, lies in successfully carrying out domestic work. At present, China is politically and economically stable. The Chinese people can definitely remove all obstacles at home and abroad and continue their march along the socialist road they have chosen.

Discusses Cambodia, Vietnam

OW2808080990 Beijing XINHUA in English
0752 GMT 28 Aug 90

[Text] Beijing, August 28 (XINHUA)—Chinese Premier Li Peng said here today that China is willing to discuss the normalization of relations with Vietnam after a just and reasonable political settlement of the Cambodia issue.

Presenting a report to the ongoing 15th session of the Standing Committee of the Seventh National People's Congress, Li said that his recent visits to Indonesia, Singapore and Thailand coincided with an important juncture in efforts to reach a political settlement of the Cambodia issue, which was [on] top of the agenda for his talks with the leaders of the three countries.

He said that China and the three countries have come to a consensus on several basic points in the political settlement of the Cambodia issue.

Li said that China and the three countries expressed their support for the consultations between and documents issued by the five permanent members of the U.N. Security Council on the Cambodia issue; for the recent suggestion by Indonesia that a meeting of the four Cambodian parties be held soon in Jakarta, presided over by the co-chairmen of the Paris meeting to urge their acceptance of the documents and; for the establishment as soon as possible of a National Supreme Council composed of various Cambodian parties with Prince Norodom Sihanouk as its chairman.

Li said that China and the three countries held unanimously that it is very important to continue with consultations and coordination among themselves on a political settlement of the Cambodia issue.

Li stressed that it can be said that it is up to Vietnam and the Hun Sen regime in Phnom Penh whether the Cambodia issue can be solved quickly or not.

He said that Vietnam is China's neighbor and China is willing to discuss the normalization of relations between the two countries after a just and reasonable settlement of the Cambodia issue.

Views Foreign Policy

OW2808070090 Beijing XINHUA in English
0645 GMT 28 Aug 90

[Text] Beijing, August 28 (XINHUA)—China has overcome various difficulties in its foreign affairs and made fresh progress in this field, Chinese Premier Li Peng said here today.

Li attributed the success to the fact that the country's foreign policies tally with reality and to the stability of the domestic situation.

Despite the changeable international situation, Li said, China still unswervingly carries out its independent foreign policy of peace, upholds the five basic principles of peaceful co-existence, and opposes hegemony and power politics.

The premier made these remarks in his report to the 15th Meeting of the Standing Committee of the Seventh National People's Congress, which opened here today.

He said that strengthening cooperation with other developing countries is the basic point of China's foreign policy.

He said that China has strengthened its governmental and nongovernmental contacts with developing countries, especially those adjacent to China, and enhanced its unity, co-operation and friendship with Third World countries.

Li said that some important breakthroughs China has made in its foreign affairs have attracted worldwide attention.

The premier pointed out that it is the fundamental task of China's foreign affairs to create a long-term peaceful international environment for its modernization drive.

Noting that the key to success in foreign affairs lies in the success in domestic work, the premier said that China enjoys political and economic stability domestically, and its people can certainly overcome all domestic and international difficulties to advance along the socialist road.

"New Enlightenment Movement" Criticized

HK2808030790 Beijing GUANGMING RIBAO
in Chinese 6 Aug 90 p 3

[Article by Li Zheng (2621 1767): "What Does the 'New Enlightenment Movement' Mean?—Discussing a Once Popular Viewpoint"]

At a time when bourgeois liberalization thinking ran wild, there was a popular view called the "new enlightenment movement." Not only the "elite" sang in unison, but many people from theoretical circles also joined in for the "cantata of enlightenment." A certain theorist

once wrote an article, urging people to "unfold a vigorous mass campaign for the new enlightenment movement during the 70th anniversary of the May Fourth Movement," and held that "it was naturally of paramount significance." Not long afterwards, the magazine NEW ENLIGHTENMENT, which aimed at advocating the movement, was published. What on earth are the reasons the "new enlightenment movement" is "natural," and what is its "paramount significance?"

As everyone knows, the opposite of "enlightenment" is feudal autocracy and feudal obscurantism. Enlightenment means that people oppose feudalism with democracy and superstition with science. However, any political democracy is concrete and is of a class nature. The Renaissance from the 14th to 16th century and the ensuing Enlightenment movement in France, used capitalist democracy and human rights to judge the feudal obscurantism of the Middle Ages, mobilizing ideologically for the bourgeois revolution. This is, no doubt, of historical significance as far as advancement is concerned. The May Fourth Movement in our country had a different setting. During this time, the capitalist system became corrupt and was declining, Marxism had already been widely disseminated, and scientific socialism had become a reality in Russia with the success of the October Revolution. Therefore during the May Fourth Movement, there were Hu Shi and others who criticized feudal superstition and feudal autocracy from the capitalist democratic point of view, while communist intellectuals such as Chen Duxiu and Li Dazhao used Marxism and the socialist democratic viewpoint as weapons to attack feudal autocracy and feudal obscurantism. Since the May Fourth Movement, seeing and transforming China with Marxism has become the great trend and mainstream of Chinese thought and politics. Here lies the real meaning of the May Fourth enlightenment movement.

So what do the "new enlightenment" theorists of today's China advocate? The so-called "salvation overwhelms enlightenment" is an important reason given by "new enlightenment" theorists. In recent years, Comrade Li Zehou has advocated this view again and again. In his book "Go My Own Way," he wrote: "Since the fall of the 'Gang of Four,' humanism, which embraces 'the discovery, awareness, and philosophy of men,' has cried out loud for some time. The demands of enlightenment, science and democracy, human rights, and truths since the May Fourth Movement seem to retain the attractiveness that is so strong that people have discovered them once again and called for them. Mimicry or even "complete westernization" is again mentioned. Isn't it a sorrowful and ridiculous historical prank? After revolving a circle or after a passage of 70 years, the same things are mentioned (page 267)." He said: "It is the result when salvation has overwhelmed enlightenment (in his book 'A Look Back At 70 Years Since the May Fourth Movement')." He thinks that the problems came out of the revolution and Marxism and that they "negate the many things belonging to the ideological system of

capitalist enlightenment thought such as the various individual freedoms and the liberation of the individual as advocated and sought after by liberalism. He says that the "acceptance, dissemination, and development of Marxist Leninism is mainly due to the needs in China's actual struggles" but is not an actual theoretical choice (page 262 of the same book). This gives rise to the "peasant revolution" and removes the "capitalist baptism," causing "revolutionary sequela with the result that "in thoughts and concepts we are more backward than during the May Fourth Movement in some respects. To remove the sequela left over by the peasant revolution, we certainly need the courage and self-awareness required to break through the net (page 325 in 'Commentary on Ancient Chinese Thought')."

I think it is incorrect to say that "salvation overwhelms enlightenment." Everyone knows China's new-democratic revolution is one in which the working class led the people against imperialism and feudalism. In nature, it belongs to the bourgeois and new type of democratic revolution. But under the historical conditions of that time, it was part of the world proletarian revolution. Since this great revolution was directed against imperialism and feudalism, it was a continuation and development of the May Fourth Movement, which was anti-imperialist and conformed to laws. Therefore, it was unfounded to set the revolution of the Chinese people and salvation against anti-imperialism and enlightenment. Comrade Li Zehou said: "The dual-topic relations between enlightenment and salvation (revolution) have not been rationally resolved since the May Fourth Movement. They have not been really explored or emphasized in theory (page 273 of 'Go My Own Way')." Is this true? No. The fact is that when feudalism, imperialism, and bureaucrat capitalism were conspiring with one another as "three great mountains" on the heads of the Chinese people, the theory and practice of our new-democratic revolution was to resolve the anti-imperialist and anti-feudalist dual topic. In China, owing to the presence of the comprador nature of the big bourgeoisie and the weakness of the national bourgeoisie, only the people's great revolution led by the working class could carry out the anti-imperialist and anti-feudalist task to the end. This has been proved by China's revolutionary history. By negating the anti-feudalist nature of the new democratic revolution, Comrade Li Zehou has once and for all obliterated the great revolution itself.

Negating the revolutionary history of China naturally leads to the negation of the social reality brought about by the revolution. This is what the extremely few number of people that stubbornly stick to bourgeois liberation saw most clearly. Then, they took the opportunity to wantonly and scornfully reduce China's socialist system to "feudal socialism" or a "feudal autocratic system." Su Shaozhi beat about the bush when talking about this. He equates China's socialism with what he calls "Stalinism" and equates Stalinism with "tsarist autocracy." He said: "The Stalinist structure imported after liberation can be

said to be a form of tsarist autocracy. From the ever-increasing problems brought about by the Stalinist structure, we can see what ideology Stalin practiced. Moreover, this kind of Stalinist structure matched China's small-scale peasant economy well" (please read SHIJIE JINGJI DAOBAO of 1 May 1989). Su's logic is: China's socialism equals "Stalinism" equals "tsarist autocracy." Some people put it more concretely by saying that almost everything in socialist China is "feudal socialist." They say: "Because Marxism and socialism are prevalent in China, many feudalist things have been attached to these new and 'correct' labels. For example, what is obviously arbitrary is said to be 'centralized leadership,' what is obviously the centralization of power is said to be 'democratic centralization' ('democratic centralization' is considered a synonym for 'democracy'); those who obviously take up senior government positions are considered to be 'serving the people'.... and so on. In addition, the false 'elections,' the propagation of the legal system which tends to be merely a formality, the ignorant 'examples' to be set up, and the urging of people to imitate them; or holding commendation meetings for those who have died after bad treatment—this can be said to be a kind of anti-enlightenment movement...." (part IV of "New Enlightenment"). Here the writer describes the party's leadership, democratic centralism, serving the people, strengthening the legal system, and learning from heroes as "feudal socialism."

True, feudalism should be opposed. Moreover, the CPC and China's socialist state power precisely and wholeheartedly oppose feudalism in China. The communist has never denied the fact that there still remains the serious influence of feudalism. One of the important objectives Comrade Deng Xiaoping advocates for reform in the political system is to "wipe out the influence of feudalism and capitalism" (page 290 of the "Selected Works of Deng Xiaoping,") in order to put an end to the personality cult, patriarchal system, one-man rule, bureaucracy, and the lifelong-tenure system of the leadership, which is in practice, in the party and state. The fundamental difference between "new enlightenment" theorists and us is not in whether or not we should oppose feudalism, but in whether socialism or "feudalism" exists in today's Chinese society; whether the party's leadership and people's democratic dictatorship is a kind of socialist democratic system or a kind of "feudal autocracy;" whether we should oppose feudalism on the plane of socialist democracy or on that of the "democracy, freedom, and human rights" of the bourgeoisie.

I believe that in today's world, feudalism is not an independent structure of thought or social formation. Only by relying on capitalism can it influence society. This is because feudalism as mode of production and social strength that has long lost its reason for existence in today's society, and it is impossible to restore feudal and backward production modes and economic relations. Therefore, it can only linger on by relying on the capitalist exploitation system, or be transformed and

used by this kind of exploiting system. Some people say that the capitalism of some East Asian countries and regions has been "Confucianized" (feudalized). This is incorrect. It would be more correct to say that Confucianism has been capitalized than to say that capitalism has been Confucianized. Even in socialist countries like China, residual feudalism joins hands with the influence of capitalist thought to play a corroding and disintegrating role in the socialist system. Fundamentally speaking, socialism is incompatible with feudalism. By using the phrase "feudal socialism," the extremely few number of "elite" maliciously attacked China's socialist system. Therefore, only by holding high the great banner of Marxism and socialism can today's China really effectively and thoroughly oppose feudalism and can socialist democracy be the sole "opponent" of feudal autocratic concepts. While bourgeois "democracy, freedom, and human rights," as outdated ideological weapons, have lost their anti-feudalist functions, they have become the ally of feudalism. We have clear proof of this from the fact that the elite are advocating so-called "democracy" and "human rights" on one hand and "the autocracy of ironhanded men" on the other.

Last, we want to point out that the extremely few number of "elite" have a very insidious motive behind their advocacy of "new enlightenment," namely that they want to split the ranks of the working class intellectuals in order to pave the way for the "elite" class to become the backbone force for China's "total westernization." This is perhaps what those good people of theoretical circle have never anticipated. Fang Lizhi, Yan Jiaqi, Liu Xiaobo and others have frequently flattered and despised intellectuals. On one hand, they describe them as the most revolutionary and most advanced "class" of today's China and the "leading force" and "those who enlighten." On the other hand, they vilify them by saying that they are "soft bones," "lack an independent character," and "lack subject concept." They have sown dissent in their relations with the party in an attempt to cause them to be "independent" of the party and socialism. Moreover, these "far-sighted" people promote bourgeois values such as "democracy," "freedom," and "human rights" intellectuals using all means in an attempt to rope them, especially those who are infatuated with Western civilization, into the ranks of the "elite" so that they can be strengthened for the "complete westernization" cause. Liu Zaifu added: "Only by taking this road 'will intellectuals be able to affirm their self-worth and prove the value of modern civilization.' Otherwise, they will have no 'individual spirit, concept of independence, or spirit of concern for the ultimate values of human society.'" ("Two Historical Breakthroughs" carried in RENMIN RIBAO on 25 April 1989). However, the majority of intellectuals in China show no admiration for them because they have long clearly seen that the "concept of independence" of Fang Lizhi and Yan Jiaqi is that they take shelter under

foreigners' wings and that their "ultimate values" are only toy figurines of Western "peaceful evolution" strategists.

University Student Enrollment Cut by 30,000

HK2808032190 Hong Kong HONGKONG STANDARD
in English 28 Aug 90 p 10

[By Cheung Po-ling]

[Text] China has decided to cut the intake of university students by almost 30,000 in the coming academic year while more will be sent for expensive military training.

The State Education Commission (SEC) has slashed first-year enrollments in universities across China from 597,000 to less than 570,000 this year, according to education sources.

Sources said the cut would affect "most of the key institutes made notorious during last year's turmoil" except Beijing University which will double its freshmen to 1,600.

The SEC explained the reduction of numbers resulted from a "rectifying drive" which has been underway since last year to streamline higher education.

Under the new drive, the quality of education will be improved by "adjusting the structure and deepening the reform" to the needs of society.

In adjusting the structure, some major disciplines of the arts and social science faculties such as history, philosophy and sociology would be eliminated in certain universities, sources said.

Students in these disciplines always fail to secure a job after graduation.

The number of recruits for applied science will be increased accordingly.

The SEC decided to shelve proposals for new universities and concentrate resources on existing institutes.

"The government always says it lacks funds for education, but, on the contrary, it is generous in sending students for military training," complained a teacher.

A Chinese source also said that the cost of military training is at least "two to three-fold" higher than a normal education.

Some 728 students, the entire freshman class of Beijing University, were sent to Shijiazhuang Military Academy, Hubei province, last year to receive military training.

Wu Shuqing, the Beijing University president, said this year's intake is to expand to 1,600 because the academy has increased its capacity.

"On average, the state subsidises each student by 1,700 to 1,800 yuan each year but the latest figures estimate

that a student spends up to 6,500 yuan to complete a one-year course in the army," said the source.

"As the students are not required to pay for the additional charges needed for training, the state has to shoulder all the extra costs," he said.

The source also said the authorities were still skeptical about the effects of military training which aims to eliminate further unrest on campus.

"After a year, the students have maintained a very good relationship with the officers at the military academy," he said.

Some experts also doubted students would stick to the ideological indoctrination after they returned to campus.

"The government is trying to reshape the spirit of Beijing University by moulding the freshmen into loyal socialists and soldiers," said a teacher.

Despite the uncertain result of the military training, the authorities decided that the first-year students of Fudan University, a hotbed for the democratic movement in Shanghai, should also be given a full year compulsory military training.

Laws To Promote Reform, Opening Up Being Drafted

OW2508151190 Beijing XINHUA in English
1225 GMT 25 Aug 90

[Text] Beijing, August 25 (XINHUA)—China is speeding up legislation in a bid to provide legal guarantees for a further implementation of its policies of reform and opening to the outside world.

According to Zhang Husheng, spokesman of the General Office of the Standing Committee of the National People's Congress (NPC), the maritime law and laws on association, press and publications are now being drafted and will soon be submitted to the NPC Standing Committee for approval.

The formulation of the above laws will be beneficial to a smooth advancement of the current drive of reform and opening to the outside world, the spokesman said.

China started drafting laws on the press and publications in 1984.

The two drafts will define the rights and duties of press and publication units and their employees so as to protect freedom of the press, as spelt out in China's Constitution.

According to Wang Qianghua, director of the China Press Law Research Center, based on the country's Constitution, China's first press law will protect press freedom and, at the same time, ban any abuse of such freedom.

The new maritime law is a timely measure, as China has joined many international maritime organizations and

more than 30 international maritime conventions, while concluding bilateral maritime contracts and agreements with over 30 countries.

Public Supervision of Procuratorates Urged

OW2708141690 Beijing XINHUA in English
1154 GMT 27 Aug 90

[Text] Beijing, August 27 (XINHUA)—Procuratorates at all levels and all procurators should conscientiously put themselves under public supervision to ensure that they keep their hands clean, a top Chinese procurator said here today.

Without public supervision, those in power are more susceptible to corruption, said Liu Fuzhi, chief procurator of the Supreme People's Procuratorate. He added that supervisors should in turn be supervised.

Procurators and procuratorates should be supervised by the Chinese Communist Party and people's congresses at all levels as well as procuratorates at higher levels, the chief procurator stressed. Meanwhile, they should by no means ignore the supervision of the masses, he said.

At the close of a national conference on political work in procuratorates, Liu said that one of the main tasks of ideological workers in procuratorates is to educate all procurators to be clean and honest.

Political departments have been or are being set up in 23 of China's provincial procuratorates.

Personnel Department Propaganda Work Forum Held

SK2708070890 Hohhot Inner Mongolia Regional
Service in Mandarin 1000 GMT 25 Aug 90

[Text] In his speech at the national forum on the personnel departments' propaganda work through newspapers and journals, which concluded in Hohhot this morning, Cheng Lianchang, vice minister of personnel, stressed that the major tasks for propaganda related to current personnel work are, in line with the characteristics of personnel work, to publicize the four cardinal principles and, focusing on the central work of personnel departments, to do a good job in publicizing the reform of the personnel system related to cadres.

Chang Lianchang said: Great results have been achieved over the past few years in propaganda related to personnel work. This has played an important role in further advancing the reform of the personnel system related to cadres and promoting the personnel work in various fields. However, we should remain clear-headed in understanding that propaganda related to personnel work as a whole is only in the initial stage and still cannot meet the needs of personnel system reform related to cadres. The development of work in various localities is still very uneven and the contingent of propaganda workers is still not good enough. This requires that we make efforts to provide solutions and make improvements.

In his speech, Chang Lianchang urged: After returning to their own units, comrades attending the forum should implement to the letter the guidelines of the forum and see to it that leading persons attach importance to and conscientiously improve management of the work, that the four cardinal principles are adhered to, that the political orientation is clearly defined, and that success is achieved in publicizing honest performance of duty and thought styles, that the work of cadres of personnel departments is carried out in coordination with the work of the center, and that the features of personnel department propaganda work are given prominence. They should attach importance to improving their organizations and upgrading the quality of their contingents. Leading comrades, especially those in charge of propaganda work, should inspect propaganda related to personnel work on a regular basis. They should take the lead in writing articles on their work, enhance their understanding, change their ideas, and do a good job in publicizing personnel policies to the masses of cadres and ordinary people through various channels and means.

21st All-China Students' Federation Plenum Held

*OW2408193790 Beijing XINHUA Domestic Service
in Chinese 0916 GMT 24 Aug 90*

[By reporter Zhang Sutang and Hu Xiaomeng (5170 2556 1125)]

[Text] Beijing, 24 Aug (XINHUA)—The 21st Committee of the All-China Students' Federation held its first plenary meeting today. The meeting elected a presidium for the current All-China Students' Federation. The Qinghua University Student Union was elected group chairman of the presidium. The Beijing University Student Union and 33 other group members of the committee were elected the presidium's vice chairman groups.

The meeting adopted a "resolution on establishment of an All-China Students' Federation fund for awarding extracurricular activities in science, technology, and in real life practice." The purpose is to award those outstanding students who have achieved significant results in extracurricular activities in science and technology and in scientific research campaigns and who have played an active role and made striking achievements in real life practice. The achievements may be inventions, discoveries, designs, manufactured objects, or technical innovations of practical value. They may also be theses, investigative reports, or analyses of measures of significant value in theory or in application.

In addition, the meeting discussed and adopted a "resolution on the system of the executive chairman of the presidium for the All-China Students' Federation and the system of stationing the executive chairman in the federation."

After the plenary meeting, the newly elected presidium held its first session. The session passed decisions on the

appointment of members of the Secretariat of the Students' Federation and on a work-reporting system to be implemented by the secretariat. Also adopted was a decision to hold an essay contest among students in universities on the subject of on-campus cultural activities.

Circular on Managing Asiatic Radio Communication

*OW2408114790 Beijing XINHUA Domestic Service
in Chinese 0610 GMT 24 Aug 90*

[Text] Beijing, 24 Aug (XINHUA)—The State Commission for Radio Administration [guo jia wu xian dian guan li wei yuan hui 0948 1367 2477 4848 7193 4619 3810 1201 0765 2585] recently issued a circular on strengthening radio administration during the Asian Games in order to ensure the normal operation of various radio communications equipment.

The circular states: All radio stations set up within the jurisdiction of Beijing Municipality must obtain a document of approval or a radio station license, issued by relevant departments before starting operation.

The circular calls on all radio stations to operate according to the approved frequencies, powers, radio characteristics, working districts and other parameters, or the entries listed in the radio station license. Radio equipment brought into Beijing Municipality by members of groups or teams participating in the Asian Games should obtain permission from their respective provincial, autonomous regional, or municipal committee for radio administration. These groups should apply for a temporary license from the office of the Beijing Municipal Committee for Radio Administration before such radio equipment can be operated.

The circular says: During the Asian Games, the offices of the State Committee and the Beijing Municipal Committee for Radio Administration will jointly set up a radio station monitoring network to monitor all radio equipment operating within the Beijing region during the games. All localities and departments with radio equipment are urged to actively cooperate with and obey the supervision of the State Committee for Radio Administration to ensure smooth communication during the Asian Games.

Railways Minister Says Unhealthy Habits Checked

*OW2708025690 Beijing XINHUA Domestic Service
in Chinese 0704 GMT 25 Aug 90*

[By reporter Zhu Youdi]

[Text] Beijing, 25 Aug (XINHUA)—Since the beginning of this year, the Ministry of Railways has adopted resolute measures to crack down on unhealthy practices in railway transportation. They have focused on the use of carriages and train tickets for private interests, thereby bringing forth a healthy trend in the construction of railway work style and enhancing the awareness of all

railway workers and staff in developing a better work-style. As a result, incidents of using carriages and train tickets for private interests have dropped conspicuously, while passenger and freight transportation service has somewhat improved.

According to Minister of Railways Li Maosen, because of the acute shortage of carriages and the sharp disparity between transport capacity and freight volume, there has been a tight demand for carriages and train tickets. A few workers and staff members have abused their positions and used carriages and train tickets for private interests to benefit individuals and small groups. This problem has gravely harmed and aroused profound resentment. In order to solve the serious problem, the Ministry of Railways has, since the beginning of the year, formulated strong measures to stop such unhealthy practices and has achieved marked results in implementing measures, which focus chiefly on the following:

- making efforts to earnestly screen companies of all types and at different levels under the railways department in order to close down those which sought profits by manipulating carriages and train tickets. So far, some 1,200 companies under the railways department have been shut down or merged.
- changing the contracting system of directly linking the wages of workers at grass-roots railways unit to the income of the unit. In order to strengthen the mechanism of restraint, it is necessary to introduce a comprehensive system which includes production, safety, work style, quality, efficiency, and benefits as targets for evaluating management. The practice of collecting increased fares for additional carriages provided by the railway units themselves, a loophole for using carriages and train tickets for private interests, has been abolished along with the extra fee for carriages and train tickets not covered by the state plan.
- seriously investigating and handling cases of manipulating carriages and train tickets for private interests and incidents of unhealthy work style. The Ministry of Railways should not shield nor cover up problems that are brought to light. In the course of handling cases, it is necessary to conduct thorough investigation. In the first half of this year, procuratorial offices at all levels under the railways departments accepted a total of 11,285 cases. Of these, 671 were placed on file for investigation and prosecution, 422 were concluded, 307 persons were given disciplinary action, and 62 persons were brought to justice. In addition, various units investigated some 700 cases of unhealthy work-style and imposed disciplinary action and economic penalties on some 1,100 persons for violation of discipline.

In order to bring about a fundamental change for the better in the workstyle of railway transportation, the Ministry of Railways has launched an extensive education on "people's railways serving the people," professional ethics, and workers' discipline in an effort to guide

the masses of railway workers and staff in translating their enthusiasm for improving their work style into better quality service for passenger and freight transport. As a result, a large number of outstanding service and freight personnel have emerged. At the present, a number of major railways stations are manned by professional staff personnel. More than 1,000 cadres have been especially assigned to posts dealing with the construction of railway work style. Moreover, reinforced by railway procuratorial departments, the forces to rectify unhealthy practices in railway transportation have been greatly strengthened. The Ministry of Railways has proposed that the masses of railway passengers and cargo owners keep an eye on passenger and freight transportation service, and that the entire society is welcome to get involved in the development of railway work style so that it may be continuously improved.

Conference on Border Defense Highway Construction

SK2708093990 Hohhot Inner Mongolia Regional Service in Mandarin 1000 GMT 24 Aug 90

[Text] The national conference on the work of maintenance and management of highways for border defense in border areas concluded in Hohhot this afternoon. Attending the conference were Bu He, chairman, and Liu Zuohui, vice chairman of the autonomous regional government; Wang Zhanyi, vice minister of communication; (Lu Min), deputy director of the General Logistics Department of the Chinese People's Liberation Army [PLA]; Zuo Jianchang, director of the Military Transportation and Traffic Department of the General Logistics Department; (Li Dongren), deputy director of the logistics department of the Beijing Military Region; Yang Enbo, political commissar, and Fang Chenghai, deputy commander of the Inner Mongolia Military District; and 141 delegates from the Shenyang, Beijing, Lanzhou, Guangzhou and Chengdu Military Regions, and Liaoning, Jilin, Heilongjiang, Inner Mongolia, Gansu, Xinjiang, Yunnan, Guangxi and Tibet provinces and autonomous regions. Qin Jiwei, state councillor and concurrently minister of national defense, sent a message to the conference to express gratitude to the delegates of the conference, and all workers, army commanders, and soldiers who had worked persistently on the forefront of maintenance and management of border defense highways all year round. He urged them to make unremitting efforts to score greater achievements continuously.

Wang Zhanyi, vice minister of communications, spoke to summarize the achievements and experiences in the maintenance and management of highways for border defense in border areas of the country. He urged communications departments at various levels throughout the country to conscientiously strengthen management and maintenance of border defense highways, use and manage well the [words indistinct] for protecting border defense highways, gradually popularize the practice of integrating maintenance with protection of border defense highways, and bring the work in various fields up to a new level.

(Lu Min), deputy director of the PLA General Logistics Department, pointed out in his speech: A good job in the management and maintenance of border defense highways is needed in consolidating border defense and strengthening national defense, and is a major matter concerning national unity and the stability of the state. Pertinent departments of the army, communications departments, departments in charge of war preparedness, military regions, military subdistrict and border defense units should regard border defense highways [words indistinct] as their own work, and conscientiously carry it out.

Zuo Jianchang gave a work report to the conference on the major achievements, experiences, and problems in the maintenance and management of border defense highways over the past 10 years.

Bu He, chairman of the autonomous regional government, spoke at the end of the conference. On behalf of the autonomous regional party committee and government, he extended warm congratulations to the conference. Bu He pointed out: It is the first time in Inner Mongolia for army and local authorities to [words indistinct] hold discussions together on border defense highway construction. This serves not only as [words indistinct] for the border defense highway construction of the entire region but also as a guidance to all other work.

He said: Inner Mongolia is a border region of minority nationalities, whose economy is not developed and whose environment is difficult. Under such circumstances, our communications departments, with the support and coordination of the army, has been able to explore ways that can rapidly change the backward situation in border defense highways, and that suit the characteristics of our region. This was a crystallization of the concerted effort and hard work of the army men and civilians of our region, and a crystallization of the labor and [word indistinct] of the officers and men of the army, and border defense highway maintenance workers. They fully embody the spirit of selfless devotion possessed by the army men and civilians of our region.

He said: The backward situation in communications and transportation is the major factor restricting the development of the economy of Inner Mongolia. To become prosperous as soon as possible, Inner Mongolia should change the backward situation of its highways. As an important part of the [words indistinct] of the highways of our region, border defense highways, whether good or bad, have a direct bearing on the army's efforts to successfully fulfill its task of defending the border areas and consolidating the national defense. It is hoped that communications departments at various levels throughout the region will understand this work from a strategic perspective and exert great efforts to successfully construct border defense highways. Meanwhile, they should give widely publicize the arduous deeds of border defense highway maintenance workers so that [words indistinct] will show concern for them, and all

trades and professions will support them. In particular, communications departments should provide better conditions for them so that they can make greater contributions to the border defense of the motherland.

Vice Minister Wang Zhanyi also gave a summing-up speech at the end of the conference. He put forward specific demands on the collection of funds and workers' [words indistinct] for the construction and maintenance of border defense highways. During the conference, delegates to the conference conducted on-the-spot inspection on the maintenance and management of the border defense highways of our region, and the Bayannur League, (Taohe) and (Haiyoutu) border defense highway maintenance teams. They also visited the construction sites of grassland [words indistinct] highways in the (Shunjing) construction site and the (Haiyoutu) border defense highway maintenance team.

Twenty-three advanced collectives and 70 advanced individuals from across the country who distinguished themselves in the maintenance and management of the border defense highways in land border areas were commended at the conference. Leading persons of the autonomous regional communication department and the General Logistics Department issued commendatory cups and medals and certificates of honor to them.

Deng Liqun Speaks at Symposium on Zhang Wentian *OW2408191490 Beijing XINHUA in English* *1435 GMT 24 Aug 90*

[Text] Beijing, August 24 (XINHUA)—A symposium was held here today to commemorate Zhang Wentian (1900-1976), a major figure in the history of the Communist Party of China (CPC), outstanding proletarian revolutionary and theorist.

Hu Sheng, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference and director of the Party History Research Center of the Central Committee of the CPC, said at the symposium that Zhang made great contributions to the victory of the Chinese revolution and socialist construction, and to the formation and development of Mao Zedong Thought.

Deng Liqun, member of the Central Advisory Commission of the CPC, said that Zhang, who was the top leader of the Communist Party in the mid-1930s, combined Marxist theory with China's reality and correctly answered important questions of the Chinese revolution based on Marxist theory.

The symposium was told that there has been great progress in the work of collecting historical data and studies of Zhang. His collected works and other books of his have recently been published.

Tian Jiyun Inspects Delta Region in Liaoning

OW2408113990 Beijing XINHUA Domestic Service
in Chinese 0901 GMT 19 Aug 90

[By reporter Liao Xin (1675 2450) and correspondent
Zhang Gangjun (1728 6921 6511)]

[Text] Shenyang, 19 Aug (XINHUA)—Tian Jiyun, vice premier of the State Council, arrived in Panjin City, Liaoning Province, on 18 August to inspect the agricultural development project in the Liaohe delta region. He walked across fields, dikes, and dams to gain insight into the production of autumn grain, and spoke emphatically on the issue of agricultural development.

The Liaohe delta region is located at the southern end of the Songliao plain in northeastern China, and is an important base for the production of commercial grain in Liaoning Province. It was formally listed as a key agricultural development zone by the state in 1988. After more than two years of efforts, 67,200 mu of rice fields were reclaimed and developed, over 200,000 mu of low- and medium-yielding farmland were upgraded, and 72,000 mu of reed fields were developed and upgraded. This brought about an increase in grain output of 46.91 million kg, valued at nearly 100 million yuan in 1989, and made it possible to realize gratifying success in efforts to develop agriculture. Tian Jiyun climbed to the top of the newly-constructed sea dike in Dawa County, which is 22 km long and capable of facilitating reclamation of more than 400,000 mu of farmland. He looked around and said happily: "This is a piece of precious land that has a lot of potential and a bright future for agricultural development."

On the same day, Vice Premier Tian also visited the rice fields of new farms in Dawa County. The 10,000 mu of newly-developed high-yielding farmland have an output of more than 600 kg per mu. Looking at the well-grown crops that will be harvested soon, Vice Premier Tian said: "Unless there are some extraordinary disasters, Liaoning is going to reap a bumper harvest this year. With a good grain harvest, the people's livelihood will improve, the economy will grow, and society will be stable." He reminded those present to pay attention to the later-stage management of farmland and the prevention of pests and diseases, and be ready to fight disasters in order to reap a bumper harvest.

After inspecting the agricultural development project, the vice premier dwelt on the issue of integrated agricultural development. He said: "Like the rest of the country, agricultural development is progressing very well in Liaoning. The undertakings are executed properly, and the results are outstanding. Moreover, the potential is great and the prospects are good. Currently, efforts to develop agriculture are going on across the country on a large scale and in a planned manner. During this process, attention should be paid to the following areas: First, agricultural development should be conducted under unified leadership, direction, and planning. It should come under the forceful leadership of

governments at all levels from start to finish, and should not be carried out indiscriminately or with each locality going its own way. We must pay attention to overall economic, social, and ecological results, and implement overall planning and administration. Second, we should adhere to the guidelines for the integrated management of hills, waterways, villages, farmland and roads, and the all-around development of livestock farming, sideline occupations, and fishery in rural areas centered on raising the output of grain, cotton, and vegetable oil. We should act according to the objective conditions of each locality, concentrate on upgrading low- and medium-yielding farmland, and reclaim more arable wasteland. Third, we must implement the principle of raising funds at all levels and from all channels. The use of funds should incur a cost, and be linked to input and output. We should instill the perception of a commodity economy into agricultural development to enable it to gradually become a powerful vehicle for investment. Fourth, we must stress the management of newly-developed resources on an appropriate scale. We must group adjoining land together to implement intensive and mechanized farming from the very start. We should introduce the contract mechanism into agricultural development. At the same time, we must continue to implement the various state policies for agricultural development."

Xiao Zuofu, vice governor of Liaoning Province, and other leading comrades accompanied Tian Jiyun during his inspection.

Article Views Peng Zhen Book of Speeches

HK2708064490 Beijing RENMIN RIBAO in Chinese
20 Aug 90 p 6

[Article by You Lin (2589 2651) and Yan Jianqi (7051 1696 3825): "Important Documents for Building Socialist Democracy and the Legal System in the New Period"]

[Text] Comrade Peng Zhen's book "On Building Socialist Democracy and the Legal System in the New Period" was published by the Central Documents Publishing House in early spring of 1989. This book consists of Comrade Peng Zhen's 44 important speeches from 1979 to 1988, most of which have been published for the first time. These speeches reflect the historical process of building socialist democracy and the legal system carried out by the people of all nationalities in the country under the leadership of the party since the Third Plenary Session of the 11th CPC Central Committee. They summarize the basic experience in this respect by applying the position, viewpoints, and methods of Marxism. Apart from solving practical problems at that time, these speeches will also play quite an important role in preserving the country's prolonged stability and tranquility as well as in ensuring the smooth development of the socialist cause. However a turmoil and rebellion broke out not long after the publication of this book. As a result, party members and cadres could not

study these important documents promptly. Now the entire party is implementing the "Decision of the CPC Central Committee on Strengthening the Party's Relations With the People" and is improving socialist democracy and the legal system in line with the important task of preserving the country's stable development, carrying out economic rectification, and deepening reform. Therefore, when reading Comrade Peng Zhen's book now, we really feel that it was quite necessary to publish it.

The book focuses on explanations of these important ideas:

First, from relying on policies in work to formulating, improving, and relying on the legal system in work; this reflects a historical shift from the revolutionary war period to the period of gaining political power throughout the country. Comrade Peng Zhen pointed out, during the revolutionary war period the attention of the party, the Army, and the masses was focused on the implementation of party policies. At that time, we did not control nationwide political power, we had to rely on policies. The law of old China protected reactionary rule; if someone wished to "do something according to law," this meant he should not make revolution. This was a historical stage. After the founding of the PRC, the people gained political power throughout the country. Thus, an all-encompassing fundamental change has taken place. Not only should we rely on political power, we should also formulate and improve the legal system and proceed with our work according to law. This is not only a change in leadership methods but, fundamentally speaking, also involves the development of socialist democracy and the improvement of the socialist legal system. This is a major strategic policy laid down by the Third Plenary Session of the 11th CPC Central Committee.

It took our party a prolonged and tortuous course to understand the need for this historical change and its utmost importance to socialist construction. Comrade Peng Zhen pointed out: In the past we did not have an adequate understanding of the importance formulating the legal system; sometimes we paid attention to it, sometimes we ignored it. During the Cultural Revolution, many people became lawless, resulting in serious losses for both the party and the country. This is a bitter lesson. He added with deep feeling: "Reviewing the history since the founding of the PRC, we can draw this conclusion: Developing socialist democracy, improving the socialist legal system, and portraying the historical development law of the PRC all correspond with the fundamental interests of the people. If we follow this law, the country can remain stable and united, can withstand all storms, and can smoothly carry out socialist construction; when we violate this law, the country suffers losses. This is independent of man's will and is a law governing historical development. Therefore, we cannot and should not overlook or waver on this point."

Comrade Peng Zhen pointed out on several occasions that in our country adhering to party leadership, abiding by law, and following the people's wishes complement each other. The party leads the people in formulating the Constitution and law and in obeying and implementing the Constitution and law. The party should also conduct its activities within the framework of the Constitution and law. To fulfill this major task, he demanded that all party members and cadres, particularly leading cadres, should take the lead in obeying the Constitution and law and in resolutely combating violations of the Constitution and law. He also urged them to take effective measures to popularize legal education among the masses and to teach them about legal knowledge so that law will become their powerful weapon.

Second, legislation work must be guided by Marxism-Leninism, must proceed according to China's actual conditions, and must serve socialist construction with Chinese characteristics. Comrade Peng Zhen made many explicit explanations on this point. He pointed out that in legislation work we should use the position, viewpoints, and methods of Marxism to find out about the new situation, to study new problems, and to summarize experience. Legislation must proceed according to China's actual conditions. In the meantime we should also absorb useful domestic and foreign experiences, both ancient and modern. As Comrade Peng Zhen said, the work focus of the party and the state has shifted to economic construction, therefore legislation work, particularly economic legislation, should cater to the needs of reform and opening up and should be carried out well, and efforts in this respect should be reduced. Of course, we should not be overanxious for quick results in legislation work. He said law should have explicit definitions on the focus of contradictions and should remain stable. "Law is a summation of experience in social practice and the legalization and documentation of practice-proven, correct policies." "Typical experience can be formulated into a law provided it has been proved correct through practice, is mature and practical, and is of a scientific nature." He stressed: In legislation work we should take account of the people's interests, consider the overall situation, make overall arrangements, take the mass line, conduct repeated investigations, and centralize correct opinions on the basis of democracy. In this way our legislation work will comply with our actual conditions and objective rules. Our law should be made concise so the masses can familiarize themselves with it.

Third, adhering to the four cardinal principles, opposing bourgeois liberalization, and using the Constitution and law to unify the minds of the entire people. In his "Report on the Draft Amendment of the PRC Constitution" and other important speeches, Comrade Peng Zhen explicitly pointed out: The four cardinal principles are the general guidelines for the Constitution, reflect the law of historical development, embody the decisive choice made by the Chinese people through a prolonged struggle, serve as the political foundation for the solidarity and progress of the people, and play a fundamental role in ensuring the

smooth carrying out of socialist modernization. In a speech entitled "Strengthen the Education in the Legal System and Preserve Our Stability and Unity," he pointed out: "Without the four cardinal principles, there will be no correct orientation, standard, or course for reform, opening up, and construction. In such cases we will not know where reform will lead us, and all sorts of trouble will arise. Particularly in a big country like ours, which has 1 billion people, 56 nationalities, and imbalanced economic, political, and cultural developments in different localities, what will become of our cause if there are no common principles to follow? Therefore, the four cardinal principles are a fundamental guarantee for reform, opening up, and socialist modernization." In refuting some people's assertions that reform is aimed at introducing "non-Marxism" and "non-Maoism" and that "persistence in Marxism-Leninism means opposition to reform," he pointed out that these ignorant viewpoints are targeted at setting people against each other. Marxism is critical and revolutionary in nature. Our reform is proceeding according to the Marxist-Leninist theory that production relations must correspond with the productive forces. Reform is a self-improvement of the socialist system. The party and state Constitutions provide that if we wish to stand on a high plane and consider problems in an overall manner, we should adhere to the four cardinal principles. Standing on the high plane of the four cardinal principles, we will be able to make a clear distinction between right and wrong on major issues, to improve our ability to solve difficult problems, and to have confidence in overcoming all difficulties. He pointed out: The more the economy is invigorated, the livelier the people's minds should be. What are the criteria for distinguishing between right and wrong and unifying the ideology? For civilians, one of the criteria is the state Constitution; for party members, the criteria are the party and state Constitutions. Adhering to the four cardinal principles and opposing bourgeois liberalization are the crux of safeguarding the dignity of the state Constitution. Bourgeois liberalization runs counter to the state Constitution. Comrade Peng Zhen's unique and important idea is using the Constitution to educate the people and unify their minds, and using the Constitution and law to oppose bourgeois liberalization.

Fourth, the nature and core of the socialist democratic political system are characterized by the people being the masters of their own affairs. Comrade Peng Zhen pointed out that in our country all political power belongs to the people and that the people are the masters of the country and society. His theory on socialist democracy and the legal system focuses on explaining how to enable the people to manage state and social affairs, to run economic and cultural undertakings, and to put the destiny of the country in their hands by various means.

During the political storm between the spring and summer of 1989, turmoil-makers tried to overthrow the CPC leadership and to change the nature of the People's Congress system. In several important previous

speeches, Comrade Peng Zhen had already refuted many bourgeois liberalization fallacies. He said: Adhering to party leadership and improving the People's Congress system are in coordination with each other. It is a historically proven fact that in our country, our cause cannot proceed well without party leadership. Adhering to party leadership does not mean the party must monopolize everything or issue orders for the fulfillment of work. Fundamentally speaking, party leadership over the state manifests itself in ideological and political leadership. By relying on its line, principles, and policies; on its close relations with the people; and on the exemplary role of party members, the party should lead the masses in working for their own interests.

The People's Congress system is a fundamental political system of our country. Comrade Peng Zhen stressed that party leadership over the state should be exercised through the state form. The party's proposals and opinions can only become the state's intentions through legal procedures. The People's Congress system is a fundamental political system of our country and is an organizational form through which the people exercise state administration. All fundamental, long-term, and major issues of the state must be decided by the People's Congress. State administrative institutions, judicial institutions, and procuratorial institutions must be elected by the People's Congress. These institutions must be responsible to the People's Congress and must subject themselves to its supervision. With this system, the people's democracy will be ensured and the state will remain stable.

On those views that set party leadership against the role of the People's Congress, Comrade Peng Zhen explicitly pointed out: "The party committee, the People's Congress, and the government have different work divisions and responsibilities, but this is not a contention for political power. As a matter of fact these three institutions are performing the same jobs: On the basis of the four cardinal principles, they are carrying out the four modernizations, developing socialist democracy, improving the socialist legal system, and building a socialist country with a high degree of civilization and democracy." "The People's Congress and its Standing Committee exercise direct state administration on behalf of the people under party leadership. Their duty is to ensure the correct implementation of the state Constitution and law, as well as party and state policies and principles. It can be said that the purpose of improving this system is to better exercise party leadership. The aim and tasks of these two correspond with each other, namely they work in the greatest interests of the majority."

Fifth, the People's Congress Standing Committee works according to the responsibility entrusted by the state Constitution. It should neither neglect its duties nor overstep its power. It should strictly abide by the principle of democratic centralism in work, collectively exercise its power, collectively make decisions, and practice a high

degree of centralism on the basis of democracy. As Comrade Peng Zhen said: By not neglecting its duties, the People's Congress Standing Committee should seriously implement the duties entrusted by the state constitution; by not overstepping its power, it should not meddle in the administrative, judicial, and procuratorial rights respectively executed by the government, the court, and the procuratorate. Comrade Peng Zhen pointed out that the work methods of the People's Congress are different from the government's because their tasks are different. An administrative institution practices the officials' responsibility system, whereas the People's Congress practices the collective responsibility system. Only on the basis of a high degree of democracy, can we reach a genuine consensus on opinions and arrive at a high degree of centralism. Comrade Peng Zhen stressed that our authority is established on this basis. In his opinion, this is the most important point in the work methods of the People's Congress Standing Committee.

To enable the People's Congress Standing Committee to undertake the responsibilities entrusted by the people of the country, Comrade Peng Zhen set these requirements: People's Congress Standing Committee members must understand the basic situation in different fields of the country. In light of their own specific conditions, they must carry out profound and systematic investigations, make a success of legal and work supervision, build close relations with party committees and government institutions, rely on party leadership, cooperate closely with people in all circles, fulfill their jobs well, strengthen their relations with People's Congress deputies and voters, and summarize experience in this respect so as to form a system; there is a need to improve People's Congress offices, and, according to the "four transformations" of cadres, to allow young comrades to shoulder heavier responsibilities; it is necessary to bring into full play the role of veteran comrades. Sixth, it is necessary to restore and carry forward the party's fine traditions in judicial work during the new period. At many national judicial work meetings, Comrade Peng Zhen stressed time and again that judicial departments should serve the people and socialism, are important tools of the people's democratic dictatorship, and should improve the political, ideological, and professional quality of their contingent. To achieve this end, the following three points must be fulfilled:

1. It is necessary to master the two ideological weapons of dialectical materialism and historical materialism, to seek truth from facts, to proceed from reality, and to use social practice to judge judicial work. Comrade Peng Zhen pointed out that because we have now entered a new historical period, we should understand the new situation, study new problems, and seriously solve them. If we do not do this, our minds will become rigid. To seek truth from facts, we should, as Comrade Mao Zedong said, observe the essence of problems in an overall manner and abide by the rule of "discarding the dross, selecting the essential, eliminating the false, retaining the true, proceeding from one point to another, and going from the shallow to the profound."

2. It is necessary to persist in wholeheartedly serving the people. Comrade Peng Zhen said that in judicial work we should first of all have a high degree of party spirit and wholeheartedly serve the people. This is the point of departure for our work, and its end result as well. To wholeheartedly serve the people, we should oppose factionalism and ultra-individualism, uphold the spirit of hard struggle and keeping close ties with the masses, and combat all kinds of corrupt practices including abusing power for personal gain.

3. It is necessary to fully develop democracy and practice democratic centralism. During a speech in 1979, Comrade Peng Zhen dialectically said: "In carrying out the four modernizations, there must be a lively political situation of stability and unity." To preserve and develop this situation, it is necessary to fully develop democracy and practice democratic centralism. Comrade Peng Zhen particularly stressed that different and even incorrect opinions in the course of discussing problems do not matter as long as these opinions are made to improve work; it is impermissible to exploit others' shortcomings to one's own advantage. Even wrong suggestions may sometimes give enlightenment to everyone or make everyone consider problems and draw correct conclusions. Centralism should be based on democracy and democracy should be guided by centralism. This saying is correct, but "guidance for centralism" is not personal guidance but the guidance of the party and state Constitutions. By adhering to democratic centralism, we will be able to enliven our minds, to unify our action, and to build the political situation of stability and unity on the basis of democracy and law. In discussing problems, everyone is equal before truth; when applying a law, everyone is equal before this law. Comrade Peng Zhen proposed these two important principles long before the outbreak of the "Cultural Revolution." He has always adhered to these two principles.

In conclusion, this 200,000-character book provides us with all-embracing and profound benefit. This book is a summation of and a theoretical achievement in developing socialist democracy and improving the socialist legal system since the Third Plenary Session of the 11th CPC Central Committee. It is a textbook that conforms with China's actual conditions and explains the Marxist theory on democracy and the legal system. In this book, apart from explaining socialist democracy, the legal system, judicial work, the work of the People's Congress, and legislation, he also expounds a series of important theories, and the party's principles and policies. These are political, ideological, and organizational principles people on all fronts should observe. Therefore more readers should study this book.

Planned Publication of Zhou Enlai's Writings

OW2708103090 Beijing XINHUA in English
0813 GMT 27 Aug 90

[Text] Beijing, August 27 (XINHUA)—A selection of the writings of the late Chinese Premier Zhou Enlai on diplomatic relations will soon be published.

Jointly compiled by the Foreign Ministry and the Party Literature Research Center of the Central Committee, the "Selected Works of Zhou Enlai on Diplomatic Relations" includes 80 articles, covering Zhou's speeches, talks and answers to reporters from 1949 to 1975.

An outstanding diplomat, Zhou served as premier for 26 years, and concurrently foreign minister for a while.

Senior leader Deng Xiaoping wrote the title for the book.

Science & Technology

New Satellite Laser Range Finder Developed

HK2708093390 Beijing ZHONGGUO XINWEN SHE
in Chinese 0619 GMT 21 Aug 90

["China Succeeds in Developing High-Precision Satellite Laser Range Finder"—ZHONGGUO XINWEN SHE headline"]

[Text] Wuhan, 21 Aug (ZHONGGUO XINWEN SHE)—A new-type satellite laser range finder with a capacity of measuring at a height of 8,000 km with a tolerance between two and four mm, one of the highest precisions in China today, has been developed in Wuhan.

The apparatus in question, the DZR-III Satellite Laser Range Finder with mm reading, recently passed the appraisal of experts from relevant units, including the Survey and Geophysics Institute under the Chinese Academy of Sciences and the Shanghai Observatory, and has been ascertained to have reached world advanced standards.

Prior to this, the satellite laser range finder in question had passed range finding tests on several occasions. When the U.S. satellite LAGEOS surfaced in the clear eastern sky, at 0000 GMT one evening, the door of a movable room slowly opened on top of the seven-story Xiaohongshan Seismic Station, Wuhan, and the two-meter-tall DZR-III Satellite Laser Range Finder turned toward the eastern sky at a 22-degree angle, slowly tracking the LAGEOS. The 100 mm-diameter radiating telescopes emitted a 7 mm-diameter laser at a frequency between one and five times per second, with so strong an intensity that it could be seen with the naked eye several hundred meters away in the sky. After 0.05 seconds, the LAGEOS' reflector sent back the marker. Forty minutes later, the LAGEOS rotated itself to the western sky forming a 22-degree angle with the horizon, and the laser range finder fulfilled its tracking task. The pulpit then conducted computerized calculation of the height the satellite was at, based on the time needed for the laser's round trip. It was learned that the DZR-III Satellite Laser Range Finder has succeeded in 26 range-finding tests of a 600 mm-diameter satellite at the height between 6,000 and 8,000 km since 26 April this year. Based on the calculation on range-finding precision of an

authoritative organization, the DZR-III Satellite Laser Range Finder has a tolerance between two and four mm.

Other sources disclosed that relevant experts tracked down the Soviet satellite ETALON at a height of 20,000 km with the said laser range finder on 19 and 21 April, with a precision next only to the United States.

A briefing showed that the DZR-III Satellite Laser Range Finder was an improved issue upon the DZR-II, which had won the 1987 National Prize for Progress in Science and Technology, with 95 percent of its parts made in China. The DZR-III Satellite Laser Range Finder is an offspring of modern science and technology in the branches of laser, photoelectricity, computer, and space; it can be used to accurately calculate the moving rates of crystal plates, changes in tides, and seismic activities, and is of great significance to geophysics, geodynamics, geodesy, astronomy, and seismic forecasts.

More on Development

OW2708050290 Beijing XINHUA Domestic Service
in Chinese 2309 GMT 26 Aug 90

[By student reporter Liu Xiangping (0491 0078 1627)]

[Text] Wuhan, 27 Aug (XINHUA)—China's most precise laser satellite telemeter has been successfully developed and manufactured by the Seismological Research Institute of the State Seismological Bureau. The new equipment was approved by experts of the Shanghai Observatory, the Survey and Geophysics Institute of the Chinese Academy of Sciences, and other departments at a recent assessment meeting. The result of the assessment shows that the telemeter is capable of measuring a satellite at an altitude of 8,000 kilometers with a precision error of only 2 to 3 millimeters for each measurement. Its precision of ranging has reached the world's advanced level and is only second to that of the United States.

The use of lasers to precisely measure the range of man-made earth satellites has quickly become a new technology in recent years for promoting scientific research in such fields as geodynamics, geodetic surveying, geophysics, and seismic forecasting. China began its research in this field in the 1980's.

Since 26 April this year, repeated trial-use of the new equipment has yielded good results. The laser satellite telemeter is composed of a rotating floor for a 60-millimeter telescope, high-power and ultra-short pulse lasers, and a computer. According to a briefing by experts of the Seismological Research Institute of the State Seismological Bureau, the success in manufacturing this type of equipment will help clarify the original forces and causes of earthquakes, thereby reducing damage and losses caused by earthquakes.

Meteorological Satellite Launch Slated

OW2708145790 Beijing XINHUA in English 1430 GMT
27 Aug 90

[Text] Beijing, August 27 (XINHUA)—China will launch its second "Fengyun 1" experimental meteorological satellite from the Taiyuan launching pad early next month.

The satellite, slightly different from the first, will be sent into orbit by a "Long March 4 carrier rocket."

Two balloon satellites belonging to the Chinese Academy of Sciences will be launched at the same time on the same carrier rocket.

The satellite will transmit weather and climatic data to all countries equipped with ground receiving stations.

Military**Key Role of PLA's Armored Forces Cited**

HK2808022590 Beijing CHINA DAILY in English
28 Aug 90 p 1

[By Yao Yu]

[Text] The People's Liberation Army's [PLA] armoured troops who started from nothing four decades ago are now well equipped and function as a backbone force.

"Making up a constantly increasing percentage in the Chinese Army, the armoured troops are now a key assault force," said General Chen Benting, head of the Armoured Troops Department under the PLA General Staff Headquarters.

Chen was speaking at a conference to mark the 40th anniversary of the establishment of the PLA armoured troops headquarters in Beijing yesterday.

The PLA ranked third in the world in the number of its tanks, General Chen said, adding that the armoured troops had now established a complete, well-functioning weaponry and equipment system.

The system mainly consisted of heavy, medium and light tanks, amphibious tanks, armoured personnel carriers and various kinds of support vehicles, he said.

With the introduction of advanced technology in recent years, the fighting capacity of the PLA's new tanks had been greatly raised, the general told the conference.

Armor Corps Marks 40th Founding Anniversary

OW2808083190 Beijing XINHUA Domestic Service
in Chinese 0840 GMT 27 Aug 90

[By correspondents Zhang Dongwen and Wang Fuli (3769 2105 3680) and reporter Hu Nianqiu]

[Text] Beijing, 27 Aug (XINHUA)—The General Staff Department of the People's Liberation Army [PLA] held a rally today to commemorate the 40th anniversary of the founding of the Armor Corps. Jiang Zemin, Deng Xiaoping, Xu Xiangqian, Nie Rongzhen, and Liu Huaqing wrote inscriptions to encourage the corps. Chi Haotian, chief of the General Staff, attended the rally to congratulate the corps.

With the establishment of the Armor Corps 40 years ago, the Army moved from a single-arm army toward one with combined arms and services. Since that time, our country's ground forces began to build their mechanized and armor units. After 40 years of hard work, the Armor Corps has built itself from scratch into a magnificent force of unprecedented scale that constantly strives to find the most effective way to integrate man with weapons. The young Armor Corps has scored remarkable achievements. Hundreds of advanced personnel and heroic collectives have emerged in the course of carrying out the militant task of defending the motherland and the four modernizations drive.

The proportion of the Armor Corps in the combined services and arms has risen. Thus, it has become an important arm of China's ground forces with tremendous striking power. In the course of its 40 years of development, our Army's Armor Corps long ago cast away the policy of obtaining its equipment through the purchase of foreign models. By undertaking its own research and manufacturing, China has established a system of weapons and equipment with the manufacture of tanks and armored vehicles of all types as its mainstay. At present, the Armor Corps of our Army ranks third in the world in terms of the quantity of equipment. Moreover, it has moved up to fairly advanced ranks in terms of the quality of its equipment.

In accordance with the actual conditions of the country and the Armed Forces, the Armor Corps has established a fairly comprehensive system for operations, training, education, scientific research, and logistical and technical work. It also has established a set of rules and regulations with its own distinctive characteristics.

Acting upon the instructions of the Military Commission, the Armor Corps has scored outstanding achievements in continually improving the ideological content of education and the methods and means of training, in strengthening management in education and training, and in strengthening military and technical training. The people's Armor Corps has established its operational theory and principle, and formed a comprehensive set of training rules and regulations with its own distinctive characteristics. At present, over 80 percent of the tank drivers and other technicians of the Armor Corps have received specialized technical training certificates.

In the past 40 years, the academies and schools of the Armor Corps have trained tens of thousands of commanders and technical cadres for various military units.

Over 80 percent of the high-, middle-, and lower-ranking officers on active duty have been trained at these academies and schools.

Military's Building of Border Areas Praised

HK2808080190 Beijing ZHONGGUO QINGNIAN BAO in Chinese 6 Aug 90 p 4

[Article by Cheng Daojie (4453 6670 2638) and Xu Jinzhang (5171 6855 4545): "Xinjiang Military District Makes Achievements in Building the Border Areas"]

[Text] The vast numbers of officers and soldiers of the Xinjiang Military District keep well in mind the purpose of wholeheartedly serving the people and vigorously supporting the local authorities in economic construction and building of spiritual culture. In recent years, the military district has dispatched about one million troops on different occasions to support the construction of 180-odd key projects and set up 410-odd public welfare undertakings; participated in dealing with emergencies and providing disaster relief over 1,300 times and rescued more than 15,000 people in difficulties and over 270,000 heads of livestock; and dispatched about 1,000 Lei Feng-emulation teams to penetrate rural and pastoral areas to prevent and cure diseases for masses of various nationalities and to repair household electrical appliances and agricultural machinery, thereby effectively promoting Army-civilian unity, nationality solidarity, and the prosperity and stability of the border areas. Fifty-five advanced collectives and individuals in nationality solidarity have emerged. Thirteen counties (cities) which form pairs with Army units have been turned into model counties (cities) in Army-civilian unity and nationality solidarity.

The Xinjiang Military District is stationed in Xinjiang and in the Ngari Prefecture of Tibet, where many nationalities live in compact communities. For many years, it has always regarded service to the masses of various border nationalities in the border areas as an important aspect of political education and an important mission in army work. Every year when new soldiers are drafted, the first lesson is education on the purpose of Army building and rules and regulations on Army-civilian unity, nationality customs, and nationality solidarity. On every Army Day, National Day, Spring Festival, and other important festivals, all Army units invariably dispatch visiting service teams to inspect the execution of discipline in relations with the masses, commending models of Army-civilian unity and nationality solidarity and promoting the practice of serving the masses of various nationalities. In light of the new conditions for nationality solidarity during the new period, while grasping day-to-day education well, the military district has also established the system of education-on-nationality-solidarity month, distributed educational materials on the special subjects of "three loves" and studying materials such as "People's Army in Xinjiang," "Nationality Solidarity Manual," and "Nationality Solidarity Stories," thus further stimulating the enthusiasm

of officers and soldiers to serve the masses of various nationalities. Various Army units team up with the masses to learn from each other for joint improvement. When encountering difficult and dangerous tasks, Army units do not shirk their responsibilities. Undaunted by dangers and difficulties, a certain mapping and topographic unit of the military district battled against the Tian Shan, traversed the Gobi, and crossed the "Sea of Death" six times. With footprints covering a surveyed area of 2.02 million square km in Xinjiang and Tibet, the unit completed the survey, planning, and designing of mines, forests, prairies, and tourist areas with high quality, and sketched 400-odd maps, thus opening up a path for frontier economic development. A certain frontier unit stationed at the Altay Shan, the "Golden Mountain," not only played the part of strong bodyguards of the "Golden Mountain," but also voluntarily supplied 500 square meters of barracks, connected waterways and electrical circuits, and helped the local nationality masses to set up jewelry factories and start gold production. Military subdistricts and people's armed forces departments stationed in such impoverished prefectures and autonomous prefectures as Hotan, Kashi, and Kizilsu also vigorously organized and supported people's militia in setting up 556 economic entities such as carpets, silk, shoe-making, and weaving, led the masses in developing economic resources, and organized over 45,000 help-the-poor people's militia teams in helping 800-odd poor households to become rich.

Economic & Agricultural

Boost to Economic Growth To Be Initiated

HK2708034790 Hong Kong HONGKONG STANDARD in English 27 Aug 90 p 5

[By Lo Dic]

[Text] Beijing will stimulate economic growth in the second half of the year, despite the opposition of some government departments, according to the latest issue of the pro-Beijing ECONOMIC REPORTER.

The State Council's Production Committee, which reflects the thinking of Premier Li Peng, has put forward several measures to boost industrial output.

These include an increase in capital investment, an expansion of bank credits and a relaxation of government controls over institutional spending.

The committee said an earlier decision to increase capital investment by 13 billion yuan (HK\$21.7 billion) to stimulate the demand for raw materials should be implemented immediately.

Chinese observers said this indicated that the decision had met resistance from some government departments, especially the State Planning Commission.

The Production Committee has already called for capital investment to at least equal last year's in real terms.

The suggestion, however, was not adopted in the commission's annual plan, which has capital investment at the same level as last year's, a reduction in real terms after allowing for inflation.

The State Statistical Bureau has also openly warned against the expansion of capital investment.

It said the 5.4 percent increase in the first seven months of the year had exceeded "the appropriate range".

This could produce inflationary pressure, jeopardising the government's efforts to adjust the industrial structure, the bureau said.

The ECONOMIC REPORTER said the Production Committee had gone further, suggesting an additional 750 million yuan (HK\$1.25 billion) in bank loans to industry to enable it to procure key materials such as steel products, cars, and non-ferrous metals.

It said the bank loans should be issued at a favourable rate of interest to enable the commercial sector to tackle the nationwide sale slump.

The committee also said the financial burden on industrial firms should be reduced and they should be given help to invest in new technologies.

The committee also proposed an increase in the export quotas of commodities such as steel products, non-ferrous metals, cement and coal.

The quotas were introduced during the past few years when there was a serious shortage of such products in the domestic market.

The committee also suggested the easing of rules controlling institutions' spending on certain luxury products, such as cars, and the end to special duties on cars so as to encourage social and government institutions to buy them.

Chinese observers said the last measure was politically risky, as the rapid expansion of institutional spending in the reform era was one of the major issues under fire during last spring's social upheavals.

The said it was also risky for Beijing to employ expansionary policies to stimulate the economy in the second half of the year, as the expansion in investment and bank credits has already produced signs of inflationary pressure in the economy.

The policy would inevitably plunge the country into a vicious cycle of "inflation, austerity and inflation again", as predicted by Finance Minister Wang Bingqian last month, they said.

Settling 'Chain Debts' by Bank Loans Planned

OW2608121890 Beijing XINHUA Domestic Service
in Chinese 0933 GMT 23 Aug 90

[Text] Beijing, 23 Aug (XINHUA)—The State Council leading group for clearing up "chain debts" recently worked out a "Plan for Using Banks Loans To Clear Up Capital Construction Payments in Arrears." The leading group called on various departments and construction banks to conscientiously implement this plan and, while obtaining bank loans, to raise funds through various channels to clear up the capital construction payments in arrears that they had incurred from 1 January 1987 to 31 December 1989.

Payments in arrears for the following projects are to be settled according to this plan: Key state construction projects completed and put into operation at the end of 1989, big and medium-sized construction projects in the finishing stages included in the 1990 state plan for investment in capital construction, 413 central-level big and medium-sized construction projects included in the 1990 state plan for investment in capital construction, and 162 local-level big and medium-sized construction projects included in the 1990 state plan for investment in capital construction.

In this plan, the State Council leading group for clearing up "chain debts" defined the purpose and principle of settling capital construction payments in arrears. The purpose of settling capital construction payments in arrears is to facilitate early operation of key state construction projects to produce desired results, to ease the situation in which enterprises are behind in payments to one another, and to stimulate production and invigorate the market and bring about a further turn for the better in the economic situation. The principle in doing this is to consider the source of investment for capital construction, that is, "whoever has invested should settle or pay the debt." Funds should be raised through various channels to settle capital construction payments in arrears. Funds arranged by the state and those raised by local authorities, departments, and enterprises should be used together for this purpose, as should banks loans for clearing up debts and funds allocated for this purpose by financial departments. Banks loans for clearing up debts should be first used to settle payments in arrears pertaining to key state construction projects and central-level big and medium-sized construction projects and to pay payments in arrears incurred with regard to "double-guarantee" enterprises and key enterprises engaged in building and installation work.

According to the plan, using bank loans to settle capital construction payments in arrears is to be done in two stages this time: The first stage covers the period from 20 August to 10 September 1990, during which a "Table of Capital Construction Payments in Arrears at the End of 1989" is to be filled out. The second stage will last from 20 September to 30 November 1990, during which the unit making the payment is to pay for equipment (raw materials) and projects constructed, and banks are to

handle payments and receipts. The work of using bank loans to settle capital construction payments in arrears is to be completed throughout the country by 30 November 1990.

The State Council leading group for clearing up "chain debts" called on all areas, departments, and enterprises to take the overall situation into account, to overcome selfish departmentalism, and to settle on schedule payment of charges in arrears to construction units that should be paid according to regulations. No one is allowed to default for any reason. A system of full responsibility for administrative leaders should be instituted in this regard. Administrative leaders must be responsible for supervising personnel in raising funds through various channels for settling and making payments in arrears. The leading group also clearly pointed out: As for arrears of payments for projects built with bank loans for capital construction, funds raised by key state enterprises by issuing bonds, and funds raised by local authorities, departments, and enterprises, the local authorities, departments, and enterprises must raise a certain proportion of funds for paying such arrears of payments; otherwise, no bank loans will be granted for this purpose. Bank loans for settling arrears of payments for capital construction must be specially used to pay for equipment (raw materials) and projects constructed. No department or individual is allowed to divert such loans to any other purposes. The ceiling of such bank loans set by the head offices of the People's Bank of China and the Bank of Construction must not be exceeded. Banks should urge units and enterprises to promptly settle arrears of payments according to regulations and requirements; they should be impartial to all parties concerned; and they should not pigeonhole or refuse to cash checks in this regard.

Reasons For 'Reformist Rhetoric' Viewed

HK2708040190 Hong Kong SOUTH CHINA
MORNING POST (BUSINESS POST) in English
27 Aug 90 p 9

[By Geoff Crothall]

[Text] For, the past month, China's official press has been full of calls for price reform, housing reform, management and enterprise reform, the establishment of capital markets and the boosting of private enterprise... in fact just about everything former party chief Zhao Ziyang was advocating prior to his downfall last year.

Some writers have even gone so far as to criticise the economic policies and leadership style of arch conservative Chen Yun, a feat of daring unheard of since the heady days of 1988.

The deluge of reformist rhetoric, coupled with numerous alleged sightings of Mr. Zhao lunching with the Patriarch himself, has led to intense speculation that the reformist's star is rising.

However there is very little concrete evidence to suggest that any of the reforms put on hold after last year's conservative backlash are likely to materialise in the near future.

A group of senior Hong Kong economists who visited the mainland recently at the invitation of the Bank of China claimed a lot of reformist experiments were being conducted in low-key manner and would be introduced to the economy as a whole if they proved successful.

But as yet no concrete reforms have been introduced on a nationwide basis.

Moreover, the central government has ordered local authorities to put the brake on the numerous "special investment zones" which have sprung up in wake of the approval of Shanghai's Pudong development zone.

Much of the legislation considered essential by foreign investors, such as the copyright law, is still on ice and legal experts say there is little indication that any significant legislation will be promulgated before the end of year.

The only possible exception could be new social security laws, currently being drafted and widely seen as a necessary pre-condition for the effective implementation of the bankruptcy law.

So what does all the talk of reform mean? It could simply be that China's most famous retiree is up to his old tricks again, lending his weight to the liberals to prevent the conservative juggernaut flattening everything in sight.

An alternative explanation is that the rhetoric is simply for domestic consumption in the run up to the Asian Games.

Stability is now just about the only thing the highest echelons of the Chinese Government are concerned about nowadays, and if allowing liberal economists to blow off steam in the PEOPLE'S DAILY helps achieve that end then so be it.

The fact that the official English language newspaper, CHINA DAILY, has reprinted large slabs of reform talk also suggests China is keen to present a more liberal and progressive face to the outside world now that Saddam Husayn is the bad guy.

Although reformist rhetoric may in itself not mean anything, it does at least help to create a climate in which reform is possible.

That said, only the most optimistic observers would expect to see any drastic changes to China's economic structure in the near future.

Article on Planned Economy, Market Integration*HK2808023990 Beijing GUANGMING RIBAO
in Chinese 4 Aug 90 p 3*

[Article by Zhou Daozhu (0719 6670 2691): "On the Mode of Integrating Planned Economy With Market Regulation"]

[Text] No planned economy or market economy, if practiced exclusively, is workable in China. Practice has provided us with a new economic formula of integrating planned economy with market regulation, which we have chosen and introduced.

The problem at present is: To combine planned economy and market regulation into an organic whole in a scientific way is more complicated and difficult than introducing unitary planned economy or market economy. By integrating planned economy with market regulation, we mean: We still preserve the superiority of the planned economy and are able to exercise macroeconomic control over and guide the market, while we make use of market regulation and allow the law of value to play its role. Such an economic mechanism will help consolidate and develop the socialist public ownership, and that is what we strive for. But given the present situation, we have "difficulty" in making such a practice successful because our plan is not worked out in a very scientific way and the market has not matured. Some people also have doubts about the soundness and feasibility of such an economic formula in varying degrees. We have to make more study of this problem and seek unity of opinion.

Problems Concerning "Opposites"

The planned economy is opposite to market regulation in terms of their concepts. Can the two be combined together? This is one of people's misgivings.

Such a misgiving, it should be said, is not unreasonable. In a sense, a plan is a specific program for implementation of results of cognition and subjective understanding, while the market is the objective manifestation of commodity circulation. In addition, the two are often contradictory to each other. Nevertheless, the two aspects of a contradiction are unitary as well as contradictory to each other. Therefore while we stress that subjective cognition should conform with objective reality, we should not reject the possibility that the two can coexist. The two, that is, the planned economy and market regulation, can coexist in the course of economic operation, and play their own role. The plan provides general guidance to economic operation, regulates the operation, and exercises planned control over main economic activities. But to provide guidance and to attain intended goals, we must enlist the help of market regulation, while guidance provided by the plan and planned control are indispensable for market regulation. Therefore, while the two are contradictory to each other, they are closely related to each other. So it is possible for them to supplement, restrict, and promote each other.

Problems Concerning "Symmetry"

The planned economy is the conception of a system while market regulation is a means. Since the connotation and extension of the two are different, is it symmetrical to mention them in the same breath? This is another misgiving.

If we merely build up a conclusion from conceptions, such a combination is really not symmetrical. But if we approach the problem from another angle, we will realize that the integration of a planned economy and market regulation is in itself a new mechanism, and that it contains a new means. The new mechanism and new means are different from those of the unitary planned economy and those of the market economy, which plays the main role in economic life in some countries. So there is nothing unsymmetrical. If we regard the integration of a planned economy and market regulation as the integration of two means, it is a superficial understanding. If we make a further study of the matter, we will find the integration is closely related to China's socialist political and economic systems. In China, socialist public ownership plays a principal role, and distribution according to work is the principal form of distribution; on the other hand, multiple economic sectors coexist together and there are different forms of distribution. Such being the case, the economic operation mechanism and its means must keep in step with such an economy characteristic of different types of ownership and different forms of distribution so as to maintain the internal consistency of the social economic mechanism [as published].

Problems Concerning "Market"

Market mechanism plays its role in the market, but since China's market is far from mature, how will the market mechanism play its role properly? This is another misgiving.

It should be acknowledged: In China, a sound market system, a rational pricing system, and a main force which is sensitive and plays an important role in the market, have not yet taken shape. This certainly prevents the market from playing its due role of a regulator. Therefore it is extremely important to promote the development of a market system or to strengthen it.

We should look at the other side of the problem, namely, if we develop a market system without strengthening and improving our control and regulation of the market, we will not be able to avoid the haphazard use of controls and relaxations that has repeatedly occurred in the past. We should not deal with the plan or market regulation separately; instead, we should promote the development of a market system or improve it as well as strengthen and improve our control and regulation of the market. In the meantime, we should clearly realize that we will not succeed in integrating the planned economy with market regulation before we have accumulated a wealth of experience. It is unrealistic to hope that we will integrate the two satisfactorily in one step.

Problems Concerning "Differentiation"

What is the difference between our present economic operation system of integrating the planned economy with market regulation and planned guidance and macroeconomic control practiced by capitalist countries? This is another misgiving.

One thing we should clearly understand is: Our planned economy which is integrated with market regulation is also guided by the plan and under overall control, but such a guidance and control is able to exercise effective control over the national economy and avoid the cyclical economic crises inherent in capitalist society. Since the capitalist economy is based on private ownership, it is impossible for capitalist countries to enforce a comprehensive and effective regulation of the social economy no matter how accurately the plan is worked out and how hard they try to put it into effect. Again, capitalist countries are unlikely to strictly exercise control and enforce regulation of the economy in a planned way in the overall interest of society disregarding interruption from vested interests comprised of capitalists. In capitalist countries, as the government interferes in economic activities in the interest of a small number of capitalists, such an interference can hardly enjoy popular support, seriously affecting the results of the interference.

At present the tasks confronting us are as follows:

1. We should clear away ideological confusion and seek a consensus on the above issues. Only by so doing, can the economic operation mechanism integrating the planned economy with market regulation be acceptable to the masses.
2. How to integrate the planned economy with market regulation is a practical problem as well as a theoretical problem. We can only work out related policies and measures to promote the integration in light of actual conditions, but cannot arbitrarily stipulate that the planned economy or market regulation is only applicable to what kind of economy, to what enterprises, industries, and departments of the same economy, or to what products, what links or fields in the production chain, nor can we mechanically set the proportions for mandatory plans and guidance plans and the scope for market regulation. Such a practice will in fact separate the organic integration of planned economy and market regulation.
3. The integration of planned economy and market regulation is an organic whole in which the two supplement each other on many levels. The scope and extent to which planned economy and market regulation apply and the methods they employ vary from time to time. We can only make use of them in a scientific way by taking into account different requirements under different conditions or in different periods.
4. In integrating planned economy with market regulation, we are likely to make mistakes due to insufficient

understanding of the relevant process and lack of experience. Again with continuous changes and development in things, there are to be new fields with which we have to familiarize ourselves. Therefore we should be ready to correct our deviations all the time to reduce mistakes.

Article Discusses Deepening Reform

HK2808084190 Beijing RENMIN RIBAO in Chinese
17 Aug 90 p 5

[Article by commentator of DANGDAI SICHAO Magazine, Originally Carried by DANGDAI SICHAO No 4 of 1990: "Deepen Reform, Open Up Further"]

[Text] After the Chinese people won the great victory in checking the turmoil and quelling the revolt under the leadership of the CPC, Chinese and foreign people at home and abroad who hoped to change China's socialist system, asserted that it would give up its reform and opening-up policy. Some people who were unaware of the true facts, also doubted whether China would carry on reform and maintain the opening-up policy. However, practice in the past year forcefully refuted the assertion that China would stop its process of reform and opening up, and also gives a clear answer to the people who had doubts and misgivings.

If one regarded reform as the process of adopting capitalism and opening up as the process of including China in the capitalist world system, as bourgeois liberalization held, then it was true that China did not pursue such "reform and opening up" after the political storm at the turn of spring and summer last year was quelled. However, if reform is taken as the process of the socialist system's self-improvement and self-development, and if opening up is considered as the process of increasing the strength of socialist modernization, then China's reform was in fact deepened and advanced further rather than being stopped, and opening up to the outside world was expanded in scale rather than being terminated.

After the Fourth Plenary Session of the 13th CPC Central Committee, a distinct characteristic of our in-depth reform was to do a lot of down-to-earth work along the course of ensuring the self-improvement and self-development of the socialist system, and to advance the process of reform in socialist society step by step. The main facts were as follows:

—At present, the in-depth development and improvement of the economic structural reform is going on side by side with economic improvement and rectification, and also serves economic improvement and rectification. Economic improvement and rectification will not only enable us to achieve an environment favorable to in-depth reform, but will gradually establish the management structure and the economic operational mechanisms which are suited to the combination of economic planning with market regulation in the development of the socialist planned commodity economy. We will make serious and useful explorations in both theory and practice.

- While maintaining and improving factory directors' central position in production and business operation, we also made clear the nucleus role of the party organizations in enterprises and strengthened the political and ideological leadership of the party organizations in enterprises and strengthened their role in cadre management. This was an important link in the in-depth reform of the enterprise leadership structure along the socialist course.
 - Over the past year, the central leadership repeatedly stressed that developing agriculture and stabilizing the rural economy was a guarantee for the stability of the overall situation. In rural reforms, the household output contract system remained unchanged on a long-term basis as a basic policy. At the same time, the two-tiered management structure was also gradually improved in light of the local conditions in various rural areas with separate household operation being combined with collective management. Thus, both the initiative of the peasant households in their separate operation and the superiority of collective management could be combined, and both household operation and collective management could be further developed. Thus, the rural reform was further developed in depth along the socialist course.
 - A large number of business companies of all kinds set up after 1984 were seriously screened and reorganized. The cases of the "five large companies" involved in illicit commercial transactions, which attracted nationwide attention, were audited and handled.
 - Disciplinary action was taken against serious law-breaking and discipline-violating behavior in economic activities and against those who abused power in pursuit of private gains to a serious degree. Those being disciplined included such leading cadres as Thti Sabir, former vice chairman of the Xinjiang regional government, Liang Xiang, former governor of Hainan Province, and Luo Yunguang, former vice minister of railways.
 - The party central leadership formulated and promulgated the "CPC Central Committee's Opinion on Maintaining and Improving the Multi-Party Cooperation and Political Consultation System Led by the CPC." This document summed up our country's experience in building socialist democratic politics from the high plain of combining theory with practice, and stipulated the contents, requirements, and basic forms of political consultation and democratic supervision. It was of far-reaching significance for guiding and promoting the political structural reform in our country.
 - Forming close ties with the masses and maintaining close relations between party and government institutions, cadres at various levels, and especially the leading cadres on one side and the masses on the other, is the fundamental issue in deepening the socialist political structural reform. The "Decision of the CPC Central Committee and the State Council on Doing Several Things about Which the People Are Concerned" and the "Decision of the CPC Central Committee on Strengthening the Party's Relations with the Masses of the People" showed that the party was taking solid steps to advance and deepen our country's socialist democratic political construction and political structural reform in both theory and practice.
- In the past year, contrary to the Western media's anticipation that "Beijing's gun shots broke the hope of opening up and China will return to the years of national seclusion," our country advanced with greater strides in opening up to the outside world.
- In 1989, although the number of the projects with foreign investment decreased by 2.7 percent from the previous year, the total value of foreign investment agreements concluded in 1989 and the amount of foreign funds actually used, increased by 5.6 percent and 14.1 percent respectively. The number of projects involving foreign investment over \$100 million was greater than in any previous years, and the number of newly approved enterprises solely owned by foreign investors was also greater than the total in the previous years. The enterprises with foreign investment earned a total foreign exchange income of \$4.9 billion through exporting their products, and this figure accounted for nine percent of our country's total export volume that year and increased by 100 percent over that in the previous year. In the first half of this year, the number of foreign investment projects increased by a rather wide margin, and many of them were large-scale projects. At present, the number of the three types of enterprises with foreign investment exceeds 23,000. In the first half of this year, the production of such enterprises which had been put into operation increased by about 40 percent.
 - New all-time records were created in our foreign trade. In 1989, our country's total volume of import and export amounted to \$111.6 billion, or increased by 8.6 percent over the previous year. The volume of export amounted to \$52.5 billion and increased by 10.5 percent. In the first half of 1990, the total volume of import and export amounted to \$48.74; the volume of export amounted \$25.65 billion or increased by 15.4 percent over the same period of last year.
 - The special economic zones, the coastal open areas, and the economic and technological development zones, all made substantial developments in 1989. Among them, the Tianjin Development Zone sold 5.36 square kilometers of land to the United States' MGM Company, and the buyer will enjoy the use right for 70 years. The American company plans to invest nearly \$3 billion. In the Pudong Development Zone of Shanghai, the first Chinese-foreign joint venture has been established, and the foreign partner is the large American company, E.I. du Pont de Nemours. In

other areas (such as Hainan Island and Liaodong Peninsula), development was also speeded up.

—After the 1989 political storm in Beijing, because some Western countries imposed sanctions against our country and exerted pressure in various ways to interfere in our country's internal affairs, difficulties and complications appeared in relations with the United States and other Western countries to varying degrees. However, our country still further improved and strengthened relations with many countries, especially neighboring countries and those in the Third World. Our country still maintained and developed relations with the people of insight in the Western countries. So our international exchanges were expanded rather than shrunk.

It should also be noted that in the past year, economic exchanges between the two sides of the strait in our country also made advances. The investment made by Taiwan compatriots on the mainland, enterprises set up by them on the mainland, and trade between the mainland and Taiwan, were increased in quantity and were carried out on a larger scale. The economic exchanges between different areas in China were also expanded. Of course, this was another type of opening up which is different from opening up to foreign countries.

The above-mentioned facts are far from all-inclusive. However, from the citing of these examples, we can clearly see that reforms in our country were indeed being developed in depth and opening up was also expanded. It was groundless to hold that China would only have empty talk about reform and opening up after June 1989. Of course, problems still existed in the course of reform and opening up, and had yet to be seriously solved under the premise of upholding the four cardinal principles.

China's reform and opening up cannot be stopped; instead, it must be carried on in depth and in a wider scope, because reform and opening up are not stopgap measures but constitute a basic component part of our party's basic line for building socialism with Chinese characteristics.

Socialism is so far the most advanced social form in human history. It eliminates the exploiting system and ensures that the people can be masters in society with public ownership as the main body of the economy. The socialist system will play a superior role in promoting the rapid development of material and spiritual civilization, and this has been proved by the history of socialism. However, this does not mean that there will be no contradiction in socialist society, and that reform and development are unnecessary. We must consistently carry on reform in socialist society, because the productive forces and the relations of production as well as the economic base and the superstructure are not only suited to each other, but are also contradictory and not completely suited to each other in some aspects. Such contradictions have completely different character as compared with the antagonistic social contradictions in the

old society, so they must, and can be completely solved through the self-improvement and self-development of the socialist system.

The communique of the Third Plenary Session of the 11th CPC Central Committee enunciated the necessity of reform according to this viewpoint. It said: "To realize the four modernizations, we must substantially enhance our productive forces and must change the part of relations of production and superstructure which is not suited to the development of the productive forces in various aspects, and change all unsuitable management methods, operation methods, and thinking methods." It also said: "Only when all comrades in the party and all people in the country emancipate their minds under the guidance of Marxism-Leninism-Mao Zedong Thought, make effort to study the new conditions, new things, and new questions, and adhere to the principles of seeking truth from facts, proceeding from the reality, and linking theory with practice, can our party smoothly complete the shift of the work focus, correctly work out the path, principles, methods, and measures for realizing the four modernizations, and correctly reform the part of relations of production and superstructure that is unsuited to the rapid development of the productive forces." This is the Marxist theoretical ground that determines that we must consistently carry out reform, and it is completely wrong to set reform against Marxism.

At the same time, we must also notice that the socialist system is a new system. Like all new things, it will advance through encountering innumerable contradictions and difficulties, and will not become perfect in a short time. The socialist system must be gradually improved through protracted and tortuous explorations and innovations. Reform is an inevitable inherent requirement of such explorations and innovations. In the initial stage after the establishment of the socialist system, reform is inevitable and necessary. However, such reform can only be the process of the self-development of the socialist system. Since the Third Plenary Session of the 11th CPC Central Committee, the tremendous achievements in our country's development showed that with the advance and in-depth development of the reform, the superiority of the socialist system will become more and more obvious. People who try to change the socialist system in our country always try to turn reform into the process of introducing capitalism. As our people checked the turmoil and quelled the rebellion, the attempt to lead reform in our country along the course of introducing capitalism was also foiled, and the process of improving and developing the concrete systems of socialism was solidly advanced.

As we all know, the establishment of the socialist system was realized through advancing along the road of socialist transformation suited to China's characteristics under our party's leadership. After the establishment of the socialist system, our party then led the Chinese people to make explorations and innovations in order to improve the concrete systems of socialism (namely, the

economic, political, and cultural systems). Things developed as Comrade Deng Xiaoping described: "Combining the universal truth of Marxism with our country's concrete practice, taking our own road, and building socialism with Chinese characteristics is the basic conclusion we have drawn from our historical experience over a long time." It should be noted that the combination of the universal truth of Marxism with our country's concrete reality cannot be completed once and for all; instead, this will undergo a prolonged and tortuous course. We will get nowhere if we do not make the combination, but if the combination is not made properly, we will also incur losses. In the course of revolution and construction, the combination of the universal truth of Marxism with our country's concrete practice takes the form of continuous explorations and innovations in the course of practice. The party's second generation of leading collective with Comrade Deng Xiaoping as the nucleus carried on and developed the cause of socialist explorations and innovations, that is, the cause of reform, initiated by the first generation of leading collective of the CPC, and made achievements attracting worldwide attention under the new historical conditions. Now this cause is being carried on and advanced by the new generation of the party's leading collective with Comrade Jiang Zemin as the nucleus. Thus, the explorations, innovations, and reforms under the guidance of Marxism-Leninism-Mao Zedong Thought will always be shining over the broad road of building socialism with Chinese characteristics.

The history of the people's republic is a history of struggling under the leadership of the CPC against the blockades imposed by the forces hostile to our country, and is also a history of opposing sanctions and resisting containments. So it is also a history of anti-infiltration and anti-peaceful evolution. It is not a history of pursuing a national seclusion policy as some historians have misrepresented it. We never refused to open up; instead, we actively advocated the five principles for peaceful coexistence and actively sought ways to expand international exchanges. National seclusion is incompatible with the nature of socialism. Socialism, as an ideological system or a social movement or a political system, always exists as the opponent of capitalism. The expansion of capitalism resulted in the integration of the whole world. The founders of Marxism profoundly pointed out in "German Ideology" that in the process of modern historical development of the world, "the scope of activities which influence each other is expanding in this process of development, and the primitive close condition of various nations is being eliminated more and more thoroughly along with the improving mode of production and exchange, and the spontaneously developing division of work among various nations, so history will become to a larger and larger degree, the whole world's history."

The transition of history to the whole world's history is an inevitable result of the development of human society. This is also the theoretical, historical, and practical grounds for proving that a socialist country must be

open up to the world and must take this as its basic national policy. Of course, we open up on the basis of adhering to independence and self-reliance, and we will never rely on foreign countries. Comrade Deng Xiaoping pointed out: "Independence, self-determination, and self-reliance always constitute our basic position in the past, at present, and in the future. The Chinese people cherish their cooperation and friendship with other countries and other peoples, but they cherish the independent rights they won through protracted struggle more. No foreign country should hope that China will become its vassal or hope that China will swallow the bitter fruit of impairing our national interests."

It should be noted that when we open up to the capitalist countries and regions, socialism will positively sublate capitalism. Socialism should not reject the civilization achievements brought about by capitalism; instead, socialism will positively assimilate these achievements to foster and strengthen itself. However, we must not blindly worship the capitalist things nor introduce them completely and indiscriminately. Comrade Deng Xiaoping pointed out long ago: "We shall firmly pursue the opening up policy and shall actively expand foreign exchanges on the basis of equality and mutual benefit. At the same time, we shall also keep sober-headed and resolutely resist the corrosive influence of the decadent ideology from abroad. We must never allow the spread of the bourgeois life style in our country." Afterward, in view of the serious spiritual pollution in the ideological field, Comrade Deng Xiaoping again pointed out: "The policy of economically opening up to the outside world is correct and should be carried on for a long time. At the same time, foreign cultural exchanges should also be developed on a long-term basis. In the economic field, we should adopt the dual tactics. While opening up, we cannot blindly introduce foreign things without making good plans and proper selection, still less can we give up our effort to resolutely resist and fight against the corrosive influence of capitalism.... We should learn advanced science, technology, management skills, and all other knowledge and culture useful to us from the developed capitalist countries. It is stupid to close our country to international exchange and to refuse to make progress. However, for things in the cultural field, we must use Marxism to analyze, distinguish, and criticize ideological contents and expression methods." People who tried to change the socialist system in our country always hoped to achieve their purpose through our opening up to the outside world. They said: When the socialist countries "open their doors and want to achieve what they need, we should send as much truth as possible into these countries." At home, some people also echoed this by advocating that "foreign things should be used to reform China." When we rejected such "truth," namely, the social system of the West and its corresponding notions, and rejected the idea of "using foreign things to reform China," these people asserted that China refused to open up.

Here, we should particularly point out that at present, the main erroneous tendency, the main obstacle, and the

main danger that may obstruct and sabotage our country's cause of reform and opening up and impede us from advancing along the road of building socialism with Chinese characteristics, comes from bourgeois liberalization. Therefore, in the ideological field, the spearhead of our struggle should be mainly directed at bourgeois liberalization. Firmly and consistently opposing bourgeois liberalization is the necessary prerequisite for carrying out the basic national policy of reform and opening up. As Comrade Deng Xiaoping pointed out, "the Third Plenary Session of the 11th CPC Central Committee decided to adopt the opening-up policy. At the same time, it also required that the tendency of liberalization be checked. These are two interrelated issues. Without checking the liberalization tendency, we will not be able to smoothly carry out the opening-up policy." We must not neglect nor underestimate the harmful effect of liberalization on reform and opening up.

The central leading collective with Comrade Jiang Zemin as the core has been carrying forward the cause, forging ahead into the future, and resolutely implementing the party's basic line. The Fourth Plenary Session of the 13th CPC Central Committee of great historic significance, decided to pay special attention to handling four major affairs. Among them, carrying on reform and opening up is taken as a major task and has been placed in a key position. Practice shows that under the leadership of the central leading collective with Comrade Jiang Zemin as the core, our reform is being deepened and opening up is being expanded. The great cause of building socialism with Chinese characteristics is making steady advances through overcoming difficulties. Our country and our socialist cause will have a bright future.

Little Fanfare for SEZ Anniversary Noted

HK2708040990 Hong Kong SOUTH CHINA
MORNING POST in English 27 Aug 90 p 6

[By Willy Wo-lap Lam]

[Text] China yesterday celebrated the 10th anniversary of the establishment of the Special Economic Zones (SEZs) with a surprising lack of fanfare and without any major addresses by central-level leaders.

Festivities were limited to Guangdong Province, home of the SEZs of Shenzhen, Zhuhai and Shantou.

Officials observing the anniversary included senior Guangdong cadres and staffers from the State Council Office in charge of SEZs.

Sources in the Chinese capital said that originally, Beijing had intended to send a high-level leader to Guangdong to mark the anniversary of the setting up of the zones, which kicked off a decade of reform and the open door policy.

"The failure of a top leader like party chief Jiang Zemin to make an address on new policy directions for the

zones shows that the radical reform programmes associated with Deng Xiaoping and ousted party chief Zhao Ziyang are no longer favoured," a source said.

Chinese economists say that the original spirit of the zones is that the enclaves will receive "special" dispensations from the central government.

The Eighth Five-Year Plan (1991-95) now being finalised, however, is not expected to endorse the radical strategy of turning coastal China into a quasi-capitalistic belt.

In a speech last weekend marking the 10th anniversary, the vice-governor of Guangdong, Mr. Yu Fei, saluted the contributions of the zones in national development.

Mr. Yu noted that the zones must "set an example for the entire province" in "curing and restructuring the economy", in boosting productivity and exports, and in introducing high-technology.

He failed, however, to credit the SEZs for the way they had led the nation in stimulating central planning by introducing new ways of doing business.

Instead, Mr. Yu pointed out that the zones must serve the overall requirements of the national economy.

"Under the premise of raising economic efficiency, the zones must maintain an adequate degree of growth...in order to make contributions towards the national task of overcoming temporary difficulties and boosting the economy," Mr. Yu said.

In his address on the anniversary, the vice-chief of the Communist Party committee of Shenzhen, Mr. Qin Wenjun, warned that the zones must preserve "a good socialist spirit."

"As central-level leaders have reiterated, what we are building up are special economic zones, not special political zones," Mr. Qin noted.

He added that a major task of the zones was to "grasp socialist spiritual civilisation" by promoting ideological and political work.

Chinese economists say that in the wake of efforts to re-centralise the economy, Beijing has basically stopped granting the zones additional "special treatments."

Newly-set up centres for attracting foreign capital, such as the Pudong industrial zone in Shanghai, enjoy privileges that exceed even those allowed to the SEZs.

At the same time, since early this year, the zones, especially Shenzhen, have been compelled to surrender a high percentage of their revenues to the central coffers.

Irrigation Drive Boosts Agricultural Development

HK2808025190 Beijing CHINA DAILY in English
28 Aug 90 p 1

[By staff reporter Liang Chao]

[Text] China's agricultural development reached a turning point this year as the area of irrigated farmland increased—after 10 years of decline.

This showed that government efforts since last winter to mobilize millions of farmers across the country to build more irrigation facilities are paying off, according to Hou Jie, Vice-Minister of Water Resources.

Last year, the country had seen a net increase of 6.3 million mu (430,000 hectares) in irrigated farmland, the vice-minister told a national conference on irrigation and water conservancy which opened in Beijing yesterday.

Following last year's bumper harvest, China had this year reaped record summer crops in grain, edible oil and early rice, Vice-Premier Tian Jiyun said at the conference.

Tian said that barring grave natural disasters in the coming months, the autumn harvest was also expected to surpass last year's record.

Tian attributed the good harvest to the nationwide efforts to develop irrigation facilities on a large scale since last year.

The government did its best last year to increase investment on irrigation and rural water conservancy projects, and a record number of farmers participated in the effort.

During the nationwide drive, local governments put more than 2.6 billion yuan (\$550 million) in special funds towards the construction while farmers raised 3 billion yuan (\$637 million).

Because of fund shortages, however, the total State capital investment in irrigation and water conservancy was only about 1.8 billion yuan (\$380 million), lower than the record 2.3 billion yuan (\$488 million) in 1980.

The projects last year involved the moving of 4.8 billion cubic metres of earth and rocks and 4.2 billion work-days.

It is estimated that the completion of these projects will improve irrigation on 71 million mu (4.7 million hectares) of farmland, in addition to salvaging 14 million mu (900,000 hectares) of waterlogged land and 10 million mu (660,000 hectares) of salinized soil, and reducing erosion of 15,000 square kilometres of land.

Moreover, it would help provide 7.1 million rural people and 4.4 million domestic animals with enough drinking water, the vice-premier said.

"This has been the most successful effort in this decade to improve the country's agricultural infrastructure and ensure a sustained good harvest," Tian continued.

Governments at all levels are now engaged in developing a new funding and labour system for the regular irrigation drive in rural China, with farmers, the beneficiaries of such a project, contributing most of the funds and workforce.

But many things had to be done to ensure success through constantly maintaining and improving China's current 700 million mu (47 million hectares) of irrigated farmland, which made up less than 50 percent of its total, Hou noted.

They vowed to turn 400 million mu (26 million hectares) of the irrigated land into high-yielding farmland under any weather conditions in the next 10 years.

East Region

Anhui's Wuhu City To Hold Trade Fair

OW2608154190 Beijing XINHUA in English
1350 GMT 26 Aug 90

[Text] Hefei, August 26 (XINHUA)—Wuhu City of east China's Anhui Province will hold a Sino-foreign trade fair and investment talks September 18.

The provincial government recently decided to make Wuhu a "window" of opening to the outside world for the Wanjiang region, the 400-km section of the Yangtze Valley in Anhui.

Wuhu, a port city on the Yangtze opened to foreign vessels 130 years ago, is known as one of China's largest rice markets. Now, it is the fifth leading port on the Yangtze. Its major industries include the light, textile and machinery industries.

The three-day fair will display traditional export products and new products developed in recent years. In addition, the city authorities will offer a number of projects for investment talks with overseas businessmen, which fall in the light industrial textiles, machine building, metallurgy, medicine, chemicals and electronics sectors.

It is learnt that several hundred small and medium-sized enterprises in Wuhu will seek overseas cooperation.

A local official in charge of the economic and trade work said overseas firms can engage in joint ventures, cooperative production, solely-funded firms, processing with supplied materials, components and designs, and compensation trade, leasing and contracted production.

The local authorities will provide various preferential treatments to such cooperation, the official noted.

Wuhu now provides some 300 million U.S. dollars worth of products for export a year, including textiles, light industrial products, chemicals, minerals, electronic products, cereals, edible oils and foodstuffs.

Fujian Secretary Views Youth Work

HK2808013590 Fuzhou Fujian Provincial Service
in Mandarin 1000 GMT 27 Aug 90

[Excerpts] The first session of the Seventh Fujian Provincial Youth Federation and the fifth congress of the Fujian Provincial Students' Federation began in Fuzhou this morning. [passage omitted]

On behalf of the provincial party committee and the provincial government, Chen Guangyi, secretary of the provincial party committee, extended warm congratulations to the two meetings and warm regards to members of the provincial youth federation, deputies of the provincial students' federation, youth of all nationalities and all walks of life, and college and secondary school students.

In his speech, Chen Guangyi said that since the Third Plenary Session of the 11th CPC Central Committee, under the leadership of the party committees at various levels, the broad masses of youth in Fujian have adhered to the basic party line of one center, two basic points, thrown themselves into reform and all types of construction work, and made positive contributions. In particular, the broad masses of the youth and students have withstood the test of the political upheaval which took place between spring and summer of last year, further strengthened their ability of distinguishing right from wrong in political affairs, and heightened their consciousness of maintaining social stability. [passage omitted]

Facts have proven that the broad masses of the youth and students are the most active and vigorous force in our social life and a trustworthy and hopeful generation capable of accomplishing a lot.

Chen Guangyi put forward the following demands on the youth:

1. To continue to inherit and develop the fine tradition of patriotism and strive to realize the four modernizations and develop China under the leadership of the party;
2. To resolutely safeguard the political situation of stability and unity, consciously safeguard the leadership of the party, defend the socialist system, and play an active role in safeguarding social stability;
3. To study diligently, train hard, and make contributions in the practice of reform, opening up to the outside world, and construction. [passage omitted]
4. To further strengthen youth federation work and students' federation work. [passage omitted]

Han Peixin on People's Congress Tasks

OW2808053790 Nanjing XINHUA RIBAO in Chinese
20 Aug 90 p 1

[By Shen Chunzhong (3088 4783 0022)]

[Text] The 16th session of the Seventh Jiangsu Provincial People's Congress Standing Committee closed in Nanjing yesterday. The plenary session yesterday approved the Standing Committee's resolution entitled "Strive To Fulfill This Year's National Economic Plan and Budget." It also approved the report on the reelection of county and township people's congresses in Jiangsu and the decision to close the election affairs office set up under the provincial People's Congress Standing Committee. The meeting decided to appoint Zhang Bingduo [1728 4426 6995] as chairman of the Jiangsu Provincial Nationalities Affairs Commission and remove Yang Yongyi from his post of provincial vice governor and concurrent chairman of the Jiangsu Provincial Education Commission.

Chairman Han Peixin chaired and addressed yesterday's meeting. He said: After a decade of high growth, Jiangsu's economy is at an important transition period.

How to effectively surmount the economic difficulties and bring about new economic growth has a close bearing on Jiangsu's stability and the people's fundamental interests. Confronted with such an important task, local people's congresses must display a high sense of responsibility for the people and the state; earnestly implement CPC general and specific policies for economic readjustment and reform and the guidelines set by the provincial party committee work conference; firmly focus attention on economic construction; make active efforts to do their jobs well; and perform their duties according to law.

He said: First of all, we must have a clear idea of economic work guidelines. Now, when the Seventh Five-Year Plan will soon give way to the Eighth Five-Year Plan, achieving sustained, steady, and harmonious economic development must become the guideline for our economic work, and we must do everything possible to achieve better economic performance, earnestly deal with issues concerning unscrupulous expansion and redundant construction, and develop the economy by establishing ties with other provinces. We must truly give top priority to economic results and gradually replace high growth with economic results. From now on, local people's congresses should pay more attention to studying the economic guidelines and implement the party's general and specific policies and state laws and regulations, macroeconomic controls, and major economic measures. They should actively support and assist the government in dealing with trends as soon as they begin to appear.

Second, we should supervise priority issues. This year, we should regularly examine the priority issues concerning the implementation of the provincial economic and social development plan approved by the provincial People's Congress and the execution of the budget. In accordance with Jiangsu's actual situation, we should examine the problems cropping up during the course of readjusting the economic structure, improving economic performance, and developing an export-oriented economy. To provide effective supervision, people's congresses should be familiar with economic affairs; correctly adhere to state principles and policies; spend more time on analyzing and researching problems; seek the support of deputies and people of all quarters; and strive to provide effective economic supervision.

Third, all economic laws and regulations should be improved. Economic problems that have been exposed show that existing laws are not being enforced or are not being strictly enforced; the problems also show that laws cannot be followed because of an imperfect legal system. To ensure normal economic operation, our economic laws and regulations must be further improved and perfected. The economic laws and regulations that have been drawn up in Jiangsu since the adoption of the reform and open policy have played a fairly useful role. We should now examine these laws and regulations in accordance with their implementation; amend and supplement them if necessary; and replace those that have

become obsolete because of changes in the situation. While formulating local laws and regulations, we should consider the needs of long-range economic and social development and not only our immediate needs. We should, on the basis of carrying out serious investigation and study and conducting thorough feasibility studies, formulate some local laws that reflect local characteristics, are operationally effective, and are of high quality so that our economy will develop soundly.

Han Peixin stressed: To ensure that laws are enforced should be an important, regular responsibility of local people's congresses. The enforcement of all laws and regulations promulgated by the state and the province must be examined several times a year on a selective basis and in a planned manner. Whenever problems are discovered, they should make sure that they are corrected. Prominent offenses should be used to educate the cadres and masses so as to heighten their concept of law and develop the habit of doing things according to law. Local reports show that the masses at grass-roots units are extremely resentful of the fact that local authorities have recklessly imposed fines and other financial obligations upon them and that certain manufacturers and traders have shown little regard to the interests of consumers and have cheated them by selling bogus or inferior goods. In conjunction with the execution of relevant laws and regulations, the provincial People's Congress Standing Committee should organize deputies and personnel of relevant quarters to investigate these problems and assist the government in stopping such unscrupulous activities, eradicating bogus and inferior goods, and safeguarding the legitimate rights and interests of enterprises and the people. Our law enforcing organs and personnel must firmly uphold the concept of law, set an example in abiding by state laws and regulations, and do their work strictly in accordance with the law. Local state organs should make it a regular practice to understand the operation of law enforcing departments, respect their right to exercise their authority independently, and support them in doing their work according to law. Meanwhile, they should intensify their inspection to see how laws are enforced and ensure that all lawless acts are corrected.

On intensifying theoretical research so that the People's Congress system can be constantly improved, Chairman Han Peixin said: After a decade, standing committees of local people's congresses should have accumulated a lot of experience from doing practical work, and they should study, analyze, and summarize these experiences so that some theories can be developed from them. As a major subject concerning the improvement of China's political theories, the intensification of the study of the socialist democratic legal system and the People's Congress system is of important, immediate significance and has far-reaching historical significance. We should realize that intensifying theoretical research in this area is essential for building a Chinese-style socialist society, restructuring the political system, keeping pace with developments at home and abroad, and improving our

People's Congress system. Thus, we must regard the theoretical research of the People's Congress system as an important matter and pay greater attention to summarizing practical experiences so that greater results can be achieved. While making theoretical research, we must earnestly study the Marxist doctrine concerning the state; study theories about how the socialist democratic legal system can be improved; study the Constitution, which is the fundamental law; and study the works of Deng Xiaoping, Jiang Zemin, and other leading comrades on the People's Congress system. This will ensure that our in-depth research will be based on the correct stand, viewpoints, and methods; will take into account China's actual situation; and will uphold the principle of integrating theory with reality. From the theoretical viewpoint, we should distinguish the difference between socialist and bourgeois democracy so that we can distinguish the essential differences between China's People's Congress system and the parliamentary system of the West. This will also help us eradicate the fallacies being disseminated by the proponents of bourgeois liberalization. Theoretical research will enable us to distinguish between correct and erroneous theories; unify people's understanding; expedite the development of the democratic legal system of our socialist society; and develop and improve the Chinese-style People's Congress system.

Attending the meeting were Li Zhizhong, Xing Bai, Li Qingkui, Zhang Yaohua, and Tang Nianci, vice chairmen of the provincial People's Congress Standing Committee. Gao Dezheng, vice governor of Jiangsu; Li Peiyu, president of the provincial Higher People's Court; and Zhang Tonghai, deputy chief procurator of the provincial People's Procuratorate, attended the meeting as nonvoting observers.

Jiangxi Holds Meeting on Maintaining Social Order

HK2808030290 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 27 Aug 90

[Excerpts] This morning, the provincial party committee and government held a telephone meeting which urged all areas to deepen the struggle to crack down on crimes in order to maintain sustained social stability in the whole province.

Li Ying, president of the provincial Higher People's Court; Wang Shuheng, chief procurator of the provincial People's Procuratorate; (Kang Hongyang), deputy director of the provincial Public Security Department; and (Gao Dengxiao), deputy director of the provincial Justice Department; made arrangements for the struggle at the meeting.

Wu Guanzheng, deputy secretary of the provincial party committee and provincial governor, attended and delivered a speech at the meeting. [passage omitted]

Wu Guanzheng pointed out that leading comrades at all levels and police officers and men engaged in political and legal work must continue to maintain a good mental

attitude, increase courage in overcoming difficulties, and strengthen confidence in winning victories. [passage omitted]

The provincial party committee and government demanded that in the next round of struggle all areas more extensively carry out in-depth propaganda and mobilization, build up momentum for the struggle, mobilize the masses, organize all forces, and arouse and protect the enthusiasm of the broad masses in fighting against criminals. [passage omitted]

Wu Guanzheng stressed party committees and governments at all levels must further strengthen leadership over the struggle aimed at cracking down on crimes and rectifying and maintaining social order, provide categorical guidance at the grass-roots level, examine and supervise the work, conscientiously carry out the work, and practically help solve some realistic problems in a down-to-earth manner. [passage omitted]

Central-South Region

Zhuhai Plan Contradicts Austerity Policy

HK2508032590 Hong Kong SOUTH CHINA MORNING POST in English 25 Aug 90 p 8

[By Daniel Kwan]

[Text] The Zhuhai mayor, Mr Liang Guangda, yesterday outlined a bold economic plan for the special economic zone which largely contradicts the austere economic policy set by the central government.

According to Mr Liang, the special economic zone will have a total social output of 30 billion yuan (HK\$49.5 billion) and an average annual growth rate of 14.6 percent before the end of this century. Industrial output value will reach 16 billion yuan, representing an average growth rate of 15 percent.

The standards far exceeded the growth rates set by Beijing which has planned an economic growth rate of around five percent for the next few years.

By the year 2000, under Mr Liang's plan, Zhuhai would have to complete its construction of a major deep water berth, a cross-river bridge, a 60-kilometre highway and a 100 kilowatt coal-fired power plant.

The mayor said their construction plans were necessary for the development of an export-oriented economy in Zhuhai, which is part of China's reform programme.

"It is true that we have set targets which exceeded the national standards but they were permitted...just as the Prime Minister Li Peng said in February that the SEZs can grow faster than the rest of the country," Mr Liang said.

Mr Liang who had just returned from Beijing made the remark at a press conference in Zhuhai to mark the 10th anniversary of the establishment of the SEZs tomorrow.

Foreign financing will play a major role in Mr Liang's plan. According to Mr Liang, Beijing earmarked about 900 million yuan to 1.2 billion yuan for construction projects in Zhuhai each year.

To pay for the massive construction projects in Zhuhai, the SEZ will look for soft loans and export credits provided by Western governments instead of soft-term commercial credits.

"Many cities in the world also build their economy by borrowing and we are just one of them," he said.

Zhuhai's heavy reliance on foreign capital also underlined a major difference between Mr Liang's plan and Beijing's financial policy which stated that foreign lending must be kept under control.

Since lending from most Western countries has been put on hold in reaction to the Beijing massacre, Mr Liang's plan will hinge on improved relations between China and Western countries.

The mayor also differed from Beijing on what steps should be taken to strengthen political work in the SEZ. According to Mr Liang, strengthening of political work in the SEZ means more contact with the outside world.

Meanwhile, Mr Liang confirmed yesterday that Zhuhai would not have its own international airport due to opposition from the central government.

"Beijing has already ruled that Zhuhai will not build an international airport while our southern neighbour, Macao, is building one," he said.

Hunan Secretary Views Party School Work

HK2808062390 Changsha Hunan Provincial Service in Mandarin 2200 GMT 23 Aug 90

[Text] At the recently convened provincial conference on party school work, Xiong Qingquan, secretary of the provincial party committee, stressed that party organizations at all levels across the province must exert their utmost to run party schools better so as to promote Marxist and Leninist theory study among cadres and train more backbone leaders as well as theory and propaganda workers who are loyal to Marxism.

Comrade Xiong Qingquan said that studying Marxist theories is an important task of the whole party. Party schools shoulder extremely important responsibilities in this regard. Leading cadres should go to party schools at regular intervals to systematically study Marxist theories so as to strengthen their party spirit, improve their theoretical quality, and meet the needs of their work, this being an important measure adopted by the party Central Committee for strengthening party building work. Cadres at all levels must treasure their opportunity of receiving training in party schools.

On how to successfully run party schools, Comrade Xiong Qingquan said that the next 10 years will witness

a large number of cadres aged between 30 and 40 entering leading posts at and above county levels. Therefore, the party committees and party schools at all levels must attach strategic importance to the question of training young and middle-aged cadres and carry out work in this regard in a down-to-earth manner. In the meantime, it is also necessary to carry out in-service training of cadres. Leading cadres at all levels must, during their tenure of office, receive training in party schools at corresponding levels in turn. In the future, this should become a system so that all cadres can go to party schools to receive training. It is also necessary to integrate together cadre training, cadre appraisal, and cadre appointment.

Comrade Xiong Qingquan finally stressed that party committees at all levels must practically strengthen party school work, strengthen building of party school leading bodies and party school teaching staff contingent as well, do their best to help party schools solve realistic problems, and give full play to the theoretical superiority of party school teaching staff.

Xia Zhanzhong, member of the Standing Committee of the provincial party committee and director of the provincial Propaganda Department, also delivered a speech at the conference.

He realistically and scientifically assessed the provincial theory work and put forward tasks for the current theory work.

He held that the current theory work must center on the following three aspects:

1. To conscientiously carry out theory study in light of actual conditions. In carrying out theory study, it is necessary to continue to carry out in-depth education and struggle aimed at opposing bourgeois liberalization;
2. To practically strengthen theory study among cadres and train successors loyal to Marxism and capable of shouldering responsibilities in the next century;
3. To do better theory and propaganda work in accordance with the principle of carrying out mainly positive propaganda.

Yesterday's conference was presided over by Comrade Sun Wensheng, deputy secretary of the provincial party committee, and attended by provincial party and government leaders, including Zhao Chuqi, Dong Zhiwen, Shen Ruiting, (Yang Minzhi), Li Tiangeng, (Yin Changmin), (Zhao Peiyi), and (Yin Sheng), president of the provincial party school.

Southwest Region

Yang Rudai Speaks at Monument Inauguration

OW2508224290 Beijing XINHUA Domestic Service in Chinese 1037 GMT 25 Aug 90

[Text] Chengdu, 26 Aug (XINHUA)—It was a joyful day today in the mountainous grasslands, where the Red

Army once passed through on the Long March, on the occasion of a grand inauguration ceremony for the Red Army's Long March Monument.

The Red Army's Long March Monument is located in the northern outskirts of Songpan County, Sichuan Province. The site of the newly-completed, golden-colored, grand monument was beautifully decorated today. The inauguration ceremony began at 1030 amid joyful music and firecrackers. After the national anthem was played, a ribbon was cut and the monument was inaugurated. The ribbon was cut by Liu Huaqing, vice chairman of the Central Military Commission; Yang Rudai, member of the Political Bureau of the CPC Central Committee and secretary of the Sichuan Provincial CPC Committee; and Zhang Taiheng, commander of the Chengdu Military Region. Then, all those present stood in silent mourning for the revolutionary martyrs who heroically gave their lives during the Long March.

Several thousand people attended the ceremony. They included responsible persons of the departments concerned under the CPC Central Committee, the State Council, and the Central Military Commission; some Red Army veterans; leading comrades from Sichuan Province and the Chengdu Military Region; responsible persons from local party, government, and Army organizations; and representatives of various circles and people of various nationalities in Songpan County.

Comrade Liu Huaqing addressed the ceremony. On behalf of the CPC Central Committee, the State Council, and the Central Military Commission, he expressed his warm congratulations on the completion of the monument, extended his highest respects to proletarian revolutionaries of the older generation and Red Army veterans who made outstanding contributions to Chinese revolution, and conveyed his cordial regards to the people of various nationalities in Sichuan, who have inherited glorious revolutionary traditions. He also gave his regards and thanks to the comrades who worked hard to building the monument.

Liu Huaqing said in his speech: Now the Red Army's Long March Monument stands erect on the mountainous grasslands of northwestern Sichuan. This is a pride shared not only by the Sichuan people but also by the entire Chinese nation. He said: The Chinese Workers' and Peasants' Red Army, under the leadership of the CPC and Comrade Mao Zedong, kept on fighting in spite of all kinds of difficulties and setbacks, carried out the 25,000-li Long March, and made earthshaking achievements. They displayed a matchless loyalty to and firm and unswerving faith in the communist cause, an indomitable heroic mettle of defying sacrifice and striving for victory, a noble character of taking the interests of the whole into account, strictly abiding by discipline, and closely unifying themselves, and a fine work style of maintaining close ties with the masses, working hard, and wholeheartedly serving the people. These are precisely a symbol and embodiment of the spirit of the Chinese nation in constantly improving

itself and winning victories. On the road of building a powerful, modern socialist country today, it is necessary for us to carry forward the Red Army's Long March spirit.

Liu Huaqing said: We must educate the future generations in carrying on the traditions of the Red Army's Long March, keep the true qualities of revolutionaries, persistently uphold the party's four cardinal principles, persist in reform and opening to the outside world, combine the lofty revolutionary ideals with the work style of quietly immersing ourselves in hard work, closely unify ourselves around the party Central Committee with Comrade Jiang Zemin as its nucleus, and work hard to rejuvenate China.

Yang Rudai and Zhang Taiheng also spoke during the ceremony.

Zhang Haoruo, governor of Sichuan Province, presided over the ceremony.

Sichuan Prepares To Use More Foreign Capital

OW220 182990 Beijing XINHUA in English
1400 GMT 22 Aug 90

[Text] Chengdu, August 22 (XINHUA)—Sichuan Province in southwest China will make greater efforts to improve the environment for foreign investors and step up its pace of using foreign capital.

At a recent provincial financial work conference, Governor Zhang Haoruo said to further utilize foreign capital will be a measure of strategic importance to speed up economic development in the province.

Between 1979 and 1989 Sichuan, the most populous province in China, attracted 328 million U.S. dollars-worth of overseas capital for the establishment of 146 joint ventures in tourism, light industry, textiles, public health, foodstuffs, livestock breeding and electronics.

In the first half of this year 11 new Sino-foreign joint venture projects were approved, with a total investment of 50 million U.S. dollars.

Governor Zhang said that for the time being the provincial authorities will take several measures to improve investment conditions.

He said training courses will be first held for leading officials of the provincial, prefectural and city authorities to improve their understanding of and skills in using foreign capital.

The provincial, prefectural and city authorities will determine which projects most need to utilize foreign capital and work out related development programs, he added, saying that the import and use of foreign capital will be an important part of the province's Eighth and Ninth Five-Year Plans (1991-2000).

Work will be done to simplify procedures for the establishment and approval of Sino-foreign joint ventures, he noted.

The governor said that the representative offices set up by the provincial and city authorities to coastal provinces and cities will be "windows" for Sichuan on the outside world.

He urged local government officials to help Sino-foreign joint ventures solve their problems and raise their economic efficiency.

It is learned that the provincial government has prepared more than 200 projects for co-operation with the outside world.

Pu Chaozhu Views Collective Economy Development

*HK2808075590 Kunming Yunnan Provincial Service
in Mandarin 1000 GMT 25 Aug 90*

[Excerpts] Yesterday afternoon, Pu Chaozhu, secretary of the provincial party committee, delivered a speech at the provincial conference on urban and rural collective enterprise work. His speech was mainly devoted to certain questions concerning collective economy development in both urban and rural areas of our province.

Pu Chaozhu pointed out that it is necessary to reunderstand both the position and the role of urban and rural collective enterprises and further unify people's ideology in this regard.

Pu Chaozhu held that the overall provincial economic situation in the first half of this year was good. [passage omitted]

Pu Chaozhu said that since urban and rural collective enterprise development has become a weak link in the provincial economic work, it is all the more necessary to unify people's ideology, strengthen people's confidence, and pool the efforts of all in order to tide over the current difficulties and bring about a healthy development of urban and rural collective economy.

Pu Chaozhu said that since the Third Plenary Session of the 11th CPC Central Committee, the Chinese peasants have opened up a new road leading toward industrialization and modernization in the practice of reform. This road, which is suitable to the national conditions of China, is: While laying a solid foundation for agriculture, it is necessary to develop township and town enterprises, develop and build a large number of small cities and towns, and gradually narrow the gap between urban areas and rural areas. All the comrades concerned must understand that developing collective enterprises in both urban and rural areas is of great significance to building socialism with salient Chinese characteristics.

Pu Chaozhu pointed out that it is necessary to implement the principle of actively assisting and continuously developing, rectifying, and improving collective enterprises in both urban and rural areas. [passage omitted]

He said that all the relevant government departments and big and medium-sized state-run enterprises must attach strategic importance to both the position and the role of urban and rural collective enterprises and endeavor to create favorable external conditions for the development of those enterprises. [passage omitted]

Peking Accused of Human Smuggling Into Taiwan
*OW2708193490 Taipei CNA in English 1608 GMT
27 Aug 90*

[Text] Taipei, Aug. 27 (CNA)—The Taiwan Garrison Command Monday accused the Chinese communist regime of conniving with those Mainland Chinese trying to smuggle themselves into the Taiwan area in an attempt to destabilize the Republic of China.

The garrison command said in an investigation report that the recent influx of mainland stowaways into Taiwan was a result of "intentional connivance" by the communist authorities, if not a direct development under instructions by Peking.

The Peking regime obviously hoped to take advantage of the wave of human smuggling to establish "channels of infiltration through which agents could enter the Taiwan area to implement its ploys against the Republic of China Government, the report said.

More than [word indistinct] mainlanders had been caught trying to slip into Taiwan during the past three years, the report said. With each mainland stowaway spending an estimated 3,00 renminbi (about 630 U.S. dollars) to be smuggled here, the total cost would exceed 30 million renminbi (about 6.3 million U.S. dollars).

The large amount of money involved suggested that there might be a plan behind the smuggling wave because, without official support, not many mainland people whose per capita income was [words indistinct] U.S. dollars, could afford the cost, it added.

The report was released in response to a report by the XINHUA News Agency, a Chinese Communist Party organ, on a maritime accident in which 25 of 76 mainland stowaways being repatriated from Taiwan on July 21 were found to have suffocated on a fishing boat the Min Ping Yu No. 554, when the boat reached the mainland the second day.

The XINHUA News Agency, which first announced the accident on Aug. 21 released an investigation report on Aug. 21 which blamed the 25 deaths on Taipei's "inhumane" repatriation process.

By releasing the "untrue" reports, the Garrison Command said, the Chinese Communists were "attempting to blacken the Republic of China Government and to sour relations between the people on both sides of the strait."

The command strongly questioned the credibility of the XINHUA report written by two reporters based on interviews with a survivor, the relatives of the victims and local communist officials.

The report asked why XINHUA had released its first report on the accident nearly two weeks after it had occurred and why the communist organ issued video tapes and pictures about the accident another 18 days later.

"There are still many questions that have to be answered," the Garrison Command said in its report which outlined several of the questions.

The command also reiterated that the Republic of China Government had to send those mainland entrants back to the mainland because it was impossible for Taiwan to accommodate tens of thousands of mainland [word indistinct] that might flood into the island each year.

Ministry Plans Revision of National Security Law
*OW2408194590 Taipei Domestic Service in Mandarin
2300 GMT 22 Aug 90*

[Text] The Interior Ministry invited the relevant departments to study draft detailed rules for enforcing the National Security Law yesterday.

The ministry decided to delete the stipulation denying entry to Communists and to add a clause stipulating that those who enter the territory without permission shall be forcibly expatriated without going through judicial procedures.

To differentiate ways for expatriating compatriots from the mainland and other illegal entrants, the ministry also decided to include expatriation measures in the law, which shall be formulated separately by the Executive Yuan.

Soviet TV Group To Visit 'Later This Month'
*OW2708112290 Taipei CHINA POST in English
24 Aug 90 p 15*

[Text] Five members of the Soviet Central Television Station will visit Taiwan for a week at the invitation of a Taipei computer company.

The guests include reporter Novral Latypov, producers Sergey Lumakin and Sergey Braverhan, photographer Nikita Victor and engineer Dimitriy Lavrov, said Lin Yue, deputy manager of the Aquarius System Inc. (ASI), which is sponsoring the tour.

ASI is the first Taiwan computer company to enter into a joint venture in the Soviet Union. Its 200-worker computer factory will go into operation soon in a Moscow suburb.

The Soviet Central TV delegation has been invited to promote sales in Russia of the Russian-language computers and to enhance Soviet-Taiwan understanding, said Lin.

Lin said the delegation has received entry visas from the ROC's [Republic of China] representative office in West Germany. They will arrive in Taipei later this month.

During the visit, the Russians will meet with ROC trade officials and will tour the Aug. 30-Sept. 5 Taipei Import Fair.

The delegation will make a documentary of Taiwan's scenery and people and show it on Central TV's Channel 1 program, "Era."

Their visit will be the second visit to Taiwan by Soviet media representatives in recent months. The first Soviet journalist was Boris Pilistkin of the official newspaper IZVESTIYA, who arrived in Taipei of April 8.

Taiwan lifted the ban on direct trade with the Soviet Union on April 23. Indirect trade between Taiwan and the Soviet Union totalled US\$141.34 million in 1989, up 311 percent over the previous year.

The ASI's joint venture factory will produce 120,000 ASI brand personal computers annually. The estimated Soviet market is 500,000 to one million units annually.

Other Taiwan computers companies, such as the Vidar-SMS Co., have also broken into the Soviet market or are offering after-sales services.

19 Nations Participate in Economic Symposium

OW2808045890 Taipei CNA in English 0142 GMT
28 Aug 90

[Text] Taipei, Aug. 28 (CNA)—The first Taipei international economic symposium opened at the Taipei International Convention Center Monday with 26 government officials and business leaders from 19 nations participating.

Economics Minister Vincent Siew in an address at the opening ceremony said that the symposium was to play a key role in enhancing international understanding and cultivating mutually beneficial business relationships. In particular, Siew said that "we would like to share our experience in economic development and to learn more about the enormous changes that are reshaping the world in which we live".

C.C. Wang, chairman of the China External Trade Development Council [CETRA], said he believed that the three-day symposium, gathering government officials, business leaders, and scholars, would contribute greatly to promoting cooperative relations in economics, trade and investment among the participating countries.

CETRA, sponsor of the symposium, said that the foreign delegates had come from countries in East Europe, Asia, the Middle East, Africa, and Central and South America, all potential markets for Republic of China traders to tap.

The symposium is a prelude to Taipei Import Fair 1990 which is scheduled to open Aug. 30, CETRA said.

Red Cross Asked To Probe Death of Mainlanders

OW2708194690 Taipei CNA in English 1617 GMT
27 Aug 90

[Text] Taipei, Aug. 27 (CNA)—The Republic of China [ROC] defense minister had asked help from the International Committee of the Red Cross to investigate the late-July deaths of 25 Mainland Chinese being repatriated from Taiwan a ministry official said Monday.

The official said the ministry had decided to ask the Taipei Red Cross Society to convene the request to the international relief organization because it believed an independent investigation would help clarify the facts about the accident, which had provoked a verbal battle between the two sides of the Taiwan Strait.

The 25 victims from among 76 mainland stowaways being repatriated from a Taiwan Harbor on July 21, were found suffocated in the hold of the Min Ping Ya No. 5540 shortly after the fishing boat reached the coast of Fukien [Fujian] Province, opposite Taiwan, on July 22.

The XINHUA News Agency, a Chinese Communist Party organ, first announced the accident in early August and then released a series of reports claiming that Taipei's inadequate repatriation process was to blame for the tragedy.

The Defense Ministry, which had earlier attributed the accident to fighting between rival factions among the repatriates, rejected the Chinese communist reports as "biased and untrue."

"We hope the International Committee of the Red Cross, which is a [words indistinct] can help investigate the incident on the Min Ping Yu No. 5540 so that the international committee can know the facts and correct the untrue reports of the Chinese Communists," the official said.

The official stressed that the Chinese communist reports were mainly based on the so-called confessions of a survivor, Lin Li-cheng, rescued from the vessel's cabin, but quite a number of questions still remained to be clarified in what he had said.

A report by the Taiwan Garrison Command, responsible for the repatriation of the mainlanders, accused Lin of lying under pressure from the communist authorities. Lin's credibility was also questionable [word indistinct] the report said.

In order to let the facts be known, the Chinese Communists should allow the 50 other repatriate survivors from the Min Ping Yu No. 5540 appear publicly and tell what they knew about the accident, the official said in a challenge to the communist authorities.

Li Teng-hui Meets St. Vincent Prime Minister
*OW2708183390 Taipei CNA in English 1452 GMT
27 Aug 90*

[Text] Taipei, Aug. 27 (CNA)—President Li Teng-hui received Saint Vincent and the Grenadines Prime Minister James N. Mitchell and agriculture and transportation officials in his government at the Presidential Office Monday.

During the meeting, Li extended his warm welcome to the visiting guests, observed that cooperative relations between the Republic of China [ROC] and Saint Vincent had been close since the establishment of diplomatic ties

between the two countries in 1981. Li said he believed bilateral relations would be further enhanced through the exchange of visits by government officials and civilians of the two countries.

Prime Minister Mitchell, who arrived here Aug. 20 for an eight-day visit, said he had been deeply impressed with the progress the Republic of China had made in various fields. He also praised the ROC's achievements as a good model for the world's developing countries.

President Li, himself an agroeconomist, also exchanged views with Mitchell on agricultural development and land reform policy.

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